

SIMMONS FIRST NATIONAL CORP

Form S-4/A

September 30, 2014

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As filed with the Securities and Exchange Commission on September 29, 2014.

Registration No. 333-197708

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

Amendment No. 2  
to  
FORM S-4  
REGISTRATION STATEMENT  
*UNDER*  
*THE SECURITIES ACT OF 1933*

SIMMONS FIRST NATIONAL CORPORATION  
(Exact name of registrant as specified in its charter)

**Arkansas**  
**(State or other jurisdiction of**  
**incorporation or organization)**

**6022**  
**(Primary Standard Industrial**  
**Classification Code Number)**  
**501 Main Street**

**71-0407808**  
**(I.R.S. Employer**  
**Identification Number)**

**Pine Bluff, Arkansas 71601**

**(870) 541-1000**

**(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)**

**George A. Makris, Jr.**

**Chairman and Chief Executive Officer**

**Simmons First National Corporation**

**501 Main Street**

**Pine Bluff, Arkansas 71601**

**(870) 541-1000**

**(Name, address, including zip code, and telephone number, including area code, of agent for service)**

*With copies to:*

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**J. Kyle McCurry**





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**Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This document shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.**

**PRELIMINARY SUBJECT TO COMPLETION DATED SEPTEMBER 29, 2014**

**Joint Proxy Statement**

**Prospectus**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

Dear Shareholder:

On \_\_\_\_\_, 2014, we will hold a special meeting of the shareholders of Simmons First National Corporation, or Simmons, to consider and vote upon two separate proposals to merge with Community First Bancshares, Inc., or Community First, and Liberty Bancshares, Inc., or Liberty. Simmons will be the surviving corporation in the merger with Community First, which we refer to as the Community First merger, and in the merger with Liberty, which we refer to as the Liberty merger.

Community First is headquartered in Union City, Tennessee, currently operates 31 branches or financial centers, of which 21 are located in western Tennessee, eight in middle Tennessee and two in eastern Tennessee, and has assets of approximately \$1.9 billion. The completion of the Community First merger will constitute Simmons' initial entry into the Tennessee banking markets. In addition to providing traditional community banking services to its customers, the Community First merger will strengthen Simmons' specialty product offerings in the areas of consumer finance, insurance and Small Business Administration, or SBA, lending.

Liberty is headquartered in Springfield, Missouri, currently operates 24 financial centers in southwest Missouri, including six in Springfield, Missouri, and has assets of approximately \$1.1 billion. The completion of the Liberty merger will significantly increase Simmons' market position in the Springfield and southwest Missouri banking markets. In addition to providing traditional community banking services to its customers, the pending Liberty merger will strengthen Simmons' specialty product offerings in the area of SBA lending.

Under the terms of the agreement and plan of merger, as amended, with Community First, which we refer to as the Community First merger agreement, each share of Community First common stock (except for shares of Community First common stock held by Community First or Simmons and any dissenting shares) will be converted into the right to receive 17.8975 shares of Simmons common stock, subject to possible adjustment. Simmons expects to issue 6,624,000 shares of common stock to Community First shareholders in the aggregate upon completion of the Community First merger. In addition, each share of Community First Senior Non-Cumulative Perpetual Preferred Stock, Series C, which we refer to as Community First Series C preferred stock, will be exchanged for one share of Simmons Senior Non-Cumulative Perpetual Preferred Stock, Series A, which we refer to as Simmons Series A

preferred stock. Simmons expects to issue 30,852 shares of Simmons Series A preferred stock.

Under the terms of the agreement and plan of merger, as amended, with Liberty, which we refer to as the Liberty merger agreement, each share of Liberty common stock (except for shares of Liberty common stock held by Liberty or Simmons and any dissenting shares) will be converted into the right to receive 1.0 share of Simmons common stock, subject to possible adjustment. Simmons expects to issue 5,247,187 shares of common stock to Liberty shareholders in the aggregate upon completion of the Liberty merger.

Based upon the closing sales price of Simmons common stock on May 5, 2014, the last trading day prior to the announcement of the Community First merger, and \_\_\_\_\_, 2014, the last practicable trading day before the date of this joint proxy statement/prospectus, the implied aggregate value of the Community First merger is approximately \$243.4 million, or \$657.55 per share of Community First common stock, and \$ \_\_\_\_\_ million, or \$ \_\_\_\_\_ per share of Community First common stock, respectively. Based upon the closing sales price of Simmons common stock on May 27, 2014, the last trading day prior to the announcement of the Liberty merger, and \_\_\_\_\_, 2014, the last practicable trading day before the date of this joint proxy statement/prospectus, the implied aggregate value of the Liberty merger is approximately \$213.1 million, or \$40.62 per share of Liberty common stock, and \$ \_\_\_\_\_ million, or \$ \_\_\_\_\_ per share of Liberty common stock, respectively.

Simmons, Community First and Liberty will each hold a special meeting of their respective shareholders in connection with the Community First merger and the Liberty merger. At such special meetings, Simmons, Community First and Liberty shareholders will be asked to vote to approve the Community First merger agreement and the Liberty merger agreement, as applicable, and related matters as described in the attached joint proxy statement/prospectus. Approval of the Community First merger agreement and the Liberty merger agreement by Simmons shareholders requires the affirmative vote of the holders of a majority of votes entitled to be cast. In addition, the written consent of the holder of the Community First Series C preferred stock is required to approve the Community First merger.

If the Community First merger and Liberty merger are both completed, existing Simmons shareholders would own approximately 60.2% of the common stock of Simmons immediately following completion of the mergers, while former Community First shareholders would own approximately 22.2% and former Liberty shareholders would own approximately 17.6%. If the Community First merger is completed, but the Liberty merger is not completed, existing Simmons and Community First shareholders would own approximately 73.1% and 26.9%, respectively, of Simmons common stock upon completion of the Community First merger. If the Liberty merger is completed, but the Community First merger is not completed, existing Simmons and Liberty shareholders would own approximately 77.4% and 22.6%, respectively, of Simmons common stock upon completion of the Liberty merger.

In addition to considering and voting upon the Community First merger and the Liberty merger, Simmons shareholders will also be asked to consider and vote upon a proposal to designate the number of members comprising the board of directors of Simmons as 12, increasing by three the number of Simmons directors, as more fully described in the attached joint proxy statement/prospectus, which we refer to as the Simmons director proposal.

The increase in the number of Simmons directors is being effected to implement agreements in the Community First merger and the Liberty merger to provide for representation of such parties on the Simmons board of directors. Approval of the Simmons director proposal by Simmons shareholders requires the affirmative vote of the holders of a majority of the votes cast on the Simmons director proposal at the Simmons special meeting.

The board of directors of Simmons believes the mergers with Community First and Liberty, together with the merger with Metropolitan National Bank that was completed on November 25, 2013 and the merger with Delta Trust & Banking Corporation that was completed on August 31, 2014, are transformative events for Simmons, allowing Simmons to diversify its market area, achieve scale, and attract seasoned management, thereby increasing shareholder

value for Simmons by providing a broader array of products and services and lending capacity to meet the needs of its customers as they grow.

The special meeting of Simmons shareholders will be held on \_\_\_\_\_, 2014, at \_\_\_\_\_, at \_\_\_\_\_ local time.

**Simmons board of directors unanimously recommends that Simmons shareholders vote FOR the approval of the Community First merger agreement, FOR the approval of the Liberty merger agreement, FOR the approval of the Simmons director proposal, and FOR the approval of any other matters to be considered at the Simmons special meeting.**

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This joint proxy statement/prospectus describes the special meeting of Simmons, the special meeting of Community First, the special meeting of Liberty, the Community First merger, the Liberty merger, the documents related to the mergers and other related matters. **Please carefully read this entire joint proxy statement/prospectus, including Risk Factors, beginning on page 50, for a discussion of the risks relating to the proposed Community First merger and the proposed Liberty merger.** You also can obtain information about Simmons from documents that it has filed with the Securities and Exchange Commission.

George A. Makris, Jr.

*Chairman and Chief Executive Officer*

Simmons First National Corporation

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Community First merger, the Liberty merger, the issuance of the Simmons common stock to be issued in the Community First merger or the Liberty merger, or the other transactions described in this document or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

**The securities to be issued in the mergers are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of Simmons, Community First, or Liberty, and they are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund, or any other governmental agency.**

The date of this joint proxy statement/prospectus is \_\_\_\_\_, and it is first being mailed or otherwise delivered to the shareholders of Simmons, Community First and Liberty on or about \_\_\_\_\_.



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**Joint Proxy Statement**

**Prospectus**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

Dear Shareholder:

On \_\_\_\_\_, 2014, we will hold a special meeting of the shareholders of Community First Bancshares, Inc. or Community First, to vote on a proposal to merge with Simmons First National Corporation, or Simmons. On May 6, 2014, Simmons and Community First entered into an agreement and plan of merger, as amended, which we refer to as the Community First merger agreement, that provides for the combination of Community First with Simmons. Under the Community First merger agreement, Community First will merge with and into Simmons, with Simmons as the surviving corporation, which we refer to as the Community First merger.

In the Community First merger, each share of Community First common stock (except for shares of Community First common stock held by Community First or Simmons and any dissenting shares) will be converted into the right to receive 17.8975 shares of Simmons common stock, subject to possible adjustment, which we refer to as the Community First merger consideration, or 6,624,000 shares of Simmons common stock in the aggregate, and each share of Community First Senior Non-Cumulative Perpetual Preferred Stock, Series C, which we refer to as Community First Series C preferred stock, will be exchanged for one share of Simmons Senior Non-Cumulative Perpetual Preferred Stock, Series A, which we refer to as Simmons Series A preferred stock, or 30,852 shares of Simmons Series A preferred stock in the aggregate. Although the number of shares of Simmons common stock that Community First shareholders will receive is fixed, the market value of the Community First merger consideration will fluctuate with the market price of Simmons common stock and will not be known at the time Community First shareholders vote on the Community First merger. Based on the closing sales price of Simmons common stock on May 5, 2014, the last trading day prior to the announcement of the Community First merger, and \_\_\_\_\_, 2014, the last practicable trading day before the date of this joint proxy statement/prospectus, the implied aggregate value of the Community First merger is approximately \$243.4 million, or \$657.55 per share of Community First common stock, and \$ \_\_\_\_\_ million, or \$ \_\_\_\_\_ per share of Community First common stock, respectively. **We urge you to obtain current market quotations for Simmons common stock (trading symbol SFNC).**

In addition to the merger with Community First, Simmons and Liberty Bancshares, Inc., or Liberty, have also entered into an agreement and plan of merger, as amended, which we refer to as the Liberty merger agreement, that provides for the combination of Liberty with Simmons, with Simmons as the surviving corporation, which we refer to as the Liberty merger. Liberty is headquartered in Springfield, Missouri, operates 24 financial centers, and has assets of approximately \$1.1 billion. The shareholders of Liberty will receive 1.0 share of Simmons common stock for each of their shares of Liberty common stock, or 5,247,187 shares of Simmons common stock in the aggregate.

While the shareholders of Simmons will need to approve the Liberty merger for it to be consummated, the shareholders of Community First will not. Information included in this joint proxy statement/prospectus with respect to Liberty and the Liberty merger is provided as information for Community First shareholders to consider when voting upon the Community First merger and for ease of reference for Simmons shareholders as they are required to consider and vote upon both the Community First merger and the Liberty merger.

If the Community First merger and Liberty merger are both completed, existing Simmons shareholders would own approximately 60.2% of the common stock of Simmons immediately following completion of the mergers, while former Community First shareholders would own approximately 22.2% and former Liberty shareholders would own

approximately 17.6%. If the Community First merger is completed, but the Liberty merger is not completed, existing Simmons and Community First shareholders would own approximately 73.1% and 26.9%, respectively, of Simmons common stock upon completion of the Community First merger.

**Neither the closing of the Community First merger nor the closing of the Liberty merger is conditioned upon closing of the other merger.**

Simmons and Community First will each hold a special meeting of their respective shareholders in connection with the Community First merger. At such special meetings, Simmons and Community First shareholders will be asked to vote to approve the Community First merger agreement and related matters as described in the attached joint proxy statement/prospectus. Approval of the Community First merger agreement by Simmons shareholders requires the affirmative vote of the holders of a majority of votes entitled to be cast, and approval of the Community First merger agreement by Community First shareholders requires the affirmative vote of the holders of a majority of the votes entitled to be cast. The holder of the Community First Series C preferred stock is also required to consent to the Community First merger.

At the Simmons special meeting, the Simmons shareholders will also be asked to vote to approve the Liberty merger agreement and related matters as described in the attached joint proxy statement/prospectus. Liberty will also hold a special meeting of its shareholders in connection with the Liberty merger. At such special meeting, Liberty shareholders will be asked to vote to approve the Liberty merger agreement and related matters as described in the attached joint proxy statement/prospectus.

The special meeting of Community First shareholders will be held on \_\_\_\_\_, 2014, at 100 East Reelfoot Avenue, Union City, Tennessee 38261, at \_\_\_\_\_ local time. The special meeting of Simmons shareholders will be held on \_\_\_\_\_, 2014, at \_\_\_\_\_, at \_\_\_\_\_ local time.

**Community First's board of directors unanimously recommends that Community First shareholders vote FOR the approval of the Community First merger agreement and FOR the approval of any other matters to be considered at the Community First special meeting.**

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This joint proxy statement/prospectus describes the special meeting of Simmons, the special meeting of Community First, the special meeting of Liberty, the Community First merger, the Liberty merger, the documents related to the mergers and other related matters. **Please carefully read this entire joint proxy statement/prospectus, including Risk Factors, beginning on page 50, for a discussion of the risks relating to the proposed Community First merger.** You also can obtain information about Simmons from documents that it has filed with the Securities and Exchange Commission.

George A. Makris, Jr.

John C. Clark

*Chairman and Chief Executive Officer*

*President and Chief Executive Officer*

Simmons First National Corporation

Community First Bancshares, Inc.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Community First merger, the Liberty merger, the issuance of the Simmons common stock to be issued in the Community First merger or the Liberty merger, or the other transactions described in this document or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

**The securities to be issued in the mergers are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of Simmons, Community First, or Liberty, and they are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund, or any other governmental agency.**

The date of this joint proxy statement/prospectus is \_\_\_\_\_, and it is first being mailed or otherwise delivered to the shareholders of Simmons, Community First and Liberty on or about \_\_\_\_\_.

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**Joint Proxy Statement**

**Prospectus**

**MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT**

Dear Shareholder:

On \_\_\_\_\_, 2014, we will hold a special meeting of the shareholders of Liberty Bancshares, Inc., or Liberty, to vote on a proposal to merge with Simmons First National Corporation, or Simmons. On May 27, 2014, Simmons and Liberty entered into an agreement and plan of merger, as amended, which we refer to as the Liberty merger agreement, that provides for the combination of Liberty with Simmons. Under the Liberty merger agreement, Liberty will merge with and into Simmons, with Simmons as the surviving corporation, which we refer to as the Liberty merger.

In the Liberty merger, each share of Liberty common stock (except for shares of Liberty common stock held by Liberty or Simmons and any dissenting shares) will be converted into the right to receive 1.0 share of Simmons common stock, subject to possible adjustment, which we refer to as the Liberty merger consideration, or 5,247,187 shares of Simmons common stock in the aggregate. Although the number of shares of Simmons common stock that Liberty shareholders will receive is generally fixed, the market value of the Liberty merger consideration will fluctuate with the market price of Simmons common stock and will not be known at the time Liberty shareholders vote on the Liberty merger. Based on the closing sales price of Simmons common stock on May 27, 2014, the last trading day prior to the announcement of the Liberty merger, and \_\_\_\_\_, 2014, the last practicable trading day before the date of this joint proxy statement/prospectus, the implied aggregate value of the Liberty merger is approximately \$213.1 million, or \$40.62 per share of Liberty common stock, and \$ \_\_\_\_\_ million, or \$ \_\_\_\_\_ per share of Liberty common stock, respectively. **We urge you to obtain current market quotations for Simmons common stock (trading symbol SFNC ).**

In addition to the merger with Liberty, Simmons and Community First Bancshares, Inc., or Community First, have also entered into an agreement and plan of merger, as amended, which we refer to as the Community First merger agreement, that provides for the combination of Community First with Simmons, with Simmons as the surviving corporation, which we refer to as the Community First merger. Community First is headquartered in Union City, Tennessee, operates 31 branches or financial centers, and has assets of approximately \$1.9 billion. The holders of Community First common stock will receive 17.8975 shares of Simmons common stock for each of their shares of Community First common stock, or 6,624,000 shares of Simmons common stock in the aggregate, and the holder of Community First Senior Non-Cumulative Perpetual Preferred Stock, Series C, which we refer to as Community First Series C preferred stock, will receive one share of Simmons Senior Non-Cumulative Perpetual Preferred Stock, Series A, which we refer to as Simmons Series A preferred stock, for each share of Community First Series C preferred stock, or 30,852 shares of Simmons Series A preferred stock in the aggregate.

While the shareholders of Simmons will need to approve the Community First merger for it to be consummated, the shareholders of Liberty will not. Information included in this joint proxy statement/prospectus with respect to Community First and the Community First merger is provided as information for Liberty shareholders to consider when voting upon the Liberty merger and for ease of reference for Simmons shareholders as they are required to consider and vote upon both the Liberty merger and the Community First merger.

If the Liberty merger and Community First merger are both completed, existing Simmons shareholders would own approximately 60.2% of the common stock of Simmons immediately following completion of the mergers, while former Liberty shareholders would own approximately 17.6% and former Community First shareholders would own

approximately 22.2%. If the Liberty merger is completed, but the Community First merger is not completed, existing Simmons and Liberty shareholders would own approximately 77.4% and 22.6%, respectively, of Simmons common stock upon completion of the Liberty merger.

**Neither the closing of the Liberty merger nor the closing of the Community First merger is conditioned upon closing of the other merger.**

Simmons and Liberty will each hold a special meeting of their respective shareholders in connection with the Liberty merger. At such special meetings, Simmons and Liberty shareholders will be asked to vote to approve the Liberty merger agreement and related matters as described in the attached joint proxy statement/prospectus. Approval of the Liberty merger agreement by Simmons shareholders requires the affirmative vote of the holders of a majority of votes entitled to be cast, and approval of the Liberty merger agreement by Liberty shareholders requires the affirmative vote of the holders of two-thirds of the outstanding shares of Liberty common stock entitled to vote at such meeting.

At the Simmons special meeting, the Simmons shareholders will also be asked to vote to approve the Community First merger agreement and related matters as described in the attached joint proxy statement/prospectus. Community First will also hold a special meeting of its shareholders in connection with the Community First merger. At such special meeting, Community First shareholders will be asked to vote to approve the Community First merger agreement and related matters as described in the attached joint proxy statement/prospectus. The holder of the Community First Series C preferred stock is also required to consent to the Community First merger.

The special meeting of Liberty shareholders will be held on \_\_\_\_\_, 2014, at 5400 Highland Springs Boulevard, Springfield, Missouri, 65809, at \_\_\_\_\_ local time. The special meeting of Simmons shareholders will be held on \_\_\_\_\_, 2014, at \_\_\_\_\_, at \_\_\_\_\_ local time.

**Liberty's board of directors unanimously recommends that Liberty shareholders vote FOR the approval of the Liberty merger agreement and FOR the approval of any other matters to be considered at the Liberty special meeting.**

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This joint proxy statement/prospectus describes the special meeting of Simmons, the special meeting of Liberty, the special meeting of Community First, the Liberty merger, the Community First merger, the documents related to the mergers and other related matters. **Please carefully read this entire joint proxy statement/prospectus, including Risk Factors, beginning on page 50, for a discussion of the risks relating to the proposed Liberty merger.** You also can obtain information about Simmons from documents that it has filed with the Securities and Exchange Commission.

George A. Makris, Jr.

Gary E. Metzger

*Chairman and Chief Executive Officer*

*Chairman and Chief Executive Officer*

Simmons First National Corporation

Liberty Bancshares, Inc.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Liberty merger, the Community First merger, the issuance of the Simmons common stock to be issued in the Liberty merger or the Community First merger, or the other transactions described in this document or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

**The securities to be issued in the mergers are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of Simmons, Liberty, or Community First, and they are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund, or any other governmental agency.**

The date of this joint proxy statement/prospectus is \_\_\_\_\_, and it is first being mailed or otherwise delivered to the shareholders of Simmons, Liberty and Community First on or about \_\_\_\_\_.

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**REFERENCES TO ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates important business and financial information about Simmons from documents filed with the U.S. Securities and Exchange Commission, or the SEC, that are not included in or delivered with this joint proxy statement/prospectus. You can obtain any of the documents filed with or furnished to the SEC by Simmons at no cost from the SEC's website at [www.sec.gov](http://www.sec.gov). You may also request copies of these documents, including documents incorporated by reference in this joint proxy statement/prospectus, at no cost by contacting Simmons at the following address:

**Simmons First National Corporation**

501 Main Street

P.O. Box 7009

Pine Bluff, Arkansas 71611

Attention: Susan F. Smith

Telephone: (501) 377-7629

**You will not be charged for any of these documents that you request. To obtain timely delivery of these documents, you must request them no later than five business days before the date of your meeting. This means that Simmons shareholders requesting documents must do so by \_\_\_\_\_, 2014 in order to receive them before the Simmons special meeting, Community First shareholders requesting documents must do so by \_\_\_\_\_, 2014 in order to receive them before the Community First special meeting, and Liberty shareholders requesting documents must do so by \_\_\_\_\_, 2014 in order to receive them before the Liberty special meeting.**

You should rely only on the information contained in, or incorporated by reference into, this document. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this document. This document is dated \_\_\_\_\_, 2014, and you should assume that the information in this document is accurate only as of such date. You should assume that the information incorporated by reference into this document is accurate as of the date of such document. Neither the mailing of this document to Simmons shareholders, Community First shareholders, or Liberty shareholders nor the issuance by Simmons of shares of Simmons common stock in connection with the mergers will create any implication to the contrary. See [Where You Can Find More Information](#) for more details.

**This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Except where the context otherwise indicates, information contained in this document regarding Simmons has been provided by Simmons, information contained in this document regarding Community First has been provided by Community First, and information contained in this document regarding Liberty has been provided by Liberty.**

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON \_\_\_\_\_, 2014**

To the Shareholders of Simmons First National Corporation:

Simmons First National Corporation will hold a special meeting of shareholders at \_\_\_\_\_ local time, on \_\_\_\_\_, 2014, at \_\_\_\_\_, to consider and vote upon the following matters:

a proposal to approve the Agreement and Plan of Merger, dated as of May 6, 2014, as amended on September 11, 2014, by and between Simmons First National Corporation and Community First Bancshares, Inc., pursuant to which Community First will merge with and into Simmons, as more fully described in the attached joint proxy statement/prospectus, which we refer to as the Community First merger proposal;

a proposal to approve the Agreement and Plan of Merger, dated as of May 27, 2014, as amended on September 11, 2014, by and between Simmons First National Corporation and Liberty Bancshares, Inc., pursuant to which Liberty will merge with and into Simmons, as more fully described in the attached joint proxy statement/prospectus, which we refer to as the Liberty merger proposal;

a proposal to designate the number of members comprising the board of directors of Simmons as 12, increasing by three the number of Simmons directors, as more fully described in the attached joint proxy statement/prospectus, which we refer to as the Simmons director proposal;

a proposal to adjourn the Simmons special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Community First merger proposal, which we refer to as the Simmons/Community First adjournment proposal; and

a proposal to adjourn the Simmons special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Liberty merger proposal, which we refer to as the Simmons/Liberty adjournment proposal.

We have fixed the close of business on \_\_\_\_\_, 2014 as the record date for the Simmons special meeting. Only Simmons common shareholders of record at that time are entitled to notice of, and to vote at, the Simmons special meeting, or any adjournment or postponement of the Simmons special meeting. Approval of each of the Community First merger proposal and the Liberty merger proposal requires the affirmative vote of holders of a majority of the votes entitled to be cast on each proposal. Approval of the Simmons director proposal requires the affirmative vote of holders of a majority of the votes cast on the proposal. Approval of each of the Simmons/Community First adjournment proposal and the Simmons/Liberty adjournment proposal requires the affirmative vote of holders of a majority of shares cast on each proposal.

**Simmons board of directors has unanimously adopted the Community First merger agreement and the Liberty merger agreement, has determined that the agreements and the transactions contemplated thereby, including the mergers, are in the best interests of Simmons and its shareholders, and unanimously recommends that Simmons shareholders vote FOR the Community First merger proposal, FOR the Liberty merger proposal,**



**FOR the Simmons director proposal, and FOR the Simmons/Community First adjournment proposal, if necessary or appropriate, and FOR the Simmons/Liberty adjournment proposal, if necessary or appropriate.**

**Your vote is very important.** We cannot complete the mergers unless Simmons common shareholders approve the Community First merger proposal and the Liberty merger proposal.

**Regardless of whether you plan to attend the Simmons special meeting, please vote as soon as possible. If you hold stock in your name as a shareholder of record of Simmons, please vote as promptly as possible by (1) accessing the internet site listed on your proxy card, (2) calling the toll-free number listed on your proxy card, or (3) completing, signing, dating and returning your proxy card in the enclosed postage-paid return envelope. If you hold your stock in street name through a bank or broker, please follow the instructions on the voting instruction card furnished by the record holder.**

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Under Arkansas law, Simmons shareholders who do not vote in favor of the Community First merger proposal or the Liberty merger proposal and follow certain procedural steps will be entitled to dissenters' rights. See Questions and Answers Are Simmons shareholders entitled to dissenters' rights?

The enclosed joint proxy statement/prospectus provides a detailed description of the special meetings, the mergers, the documents related to the mergers and other related matters. We urge you to read the joint proxy statement/prospectus, including any documents incorporated in the joint proxy statement/prospectus by reference, and its annexes carefully and in their entirety.

**BY ORDER OF THE BOARD OF DIRECTORS,**

George A. Makris, Jr.

Chairman and Chief Executive Officer

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON \_\_\_\_\_, 2014**

To the Shareholders of Community First Bancshares, Inc.:

Community First Bancshares, Inc. will hold a special meeting of shareholders at \_\_\_\_\_ local time, on \_\_\_\_\_, 2014, at 100 East Reelfoot Avenue, Union City, Tennessee 38261, to consider and vote upon the following matters:

a proposal to approve the Agreement and Plan of Merger, dated as of May 6, 2014, as amended on September 11, 2014, by and between Simmons First National Corporation and Community First Bancshares, Inc., pursuant to which Community First will merge with and into Simmons, as more fully described in the attached joint proxy statement/prospectus, which we refer to as the Community First merger proposal; and

a proposal to adjourn the Community First special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Community First merger proposal, which we refer to as the Community First adjournment proposal.

We have fixed the close of business on \_\_\_\_\_, 2014, as the record date for the Community First special meeting. Only Community First common shareholders of record at that time are entitled to notice of, and to vote at, the Community First special meeting, or any adjournment or postponement of the Community First special meeting. Approval of the Community First merger proposal requires the affirmative vote of holders of a majority of the votes entitled to be cast on the proposal. Approval of the Community First adjournment proposal requires the affirmative vote of holders of a majority of shares represented at the special meeting.

**Community First's board of directors has unanimously adopted the Community First merger agreement, has determined that the Community First merger agreement and the transactions contemplated thereby, including the merger, are in the best interests of Community First and its shareholders, and unanimously recommends that Community First shareholders vote FOR the Community First merger proposal and FOR the Community First adjournment proposal, if necessary or appropriate.**

**Your vote is very important.** We cannot complete the merger unless Community First's common shareholders approve the Community First merger proposal.

**Regardless of whether you plan to attend the Community First special meeting, please vote as soon as possible. If you hold stock in your name as a shareholder of record of Community First, please vote as promptly as possible by completing, signing, dating and returning your proxy card in the enclosed postage-paid return envelope. If you hold your stock in street name through a bank or broker, please follow the instructions on the voting instruction card furnished by the record holder.**

Under Tennessee law, Community First shareholders who do not vote in favor of the Community First merger proposal and follow certain procedural steps will be entitled to dissenters' rights. See Questions and Answers Are Community First shareholders entitled to dissenters' rights?

The enclosed joint proxy statement/prospectus provides a detailed description of the special meetings, the mergers, the documents related to the mergers and other related matters. We urge you to read the joint proxy statement/prospectus, including any documents incorporated in the joint proxy statement/prospectus by reference, and its annexes carefully and in their entirety.

**BY ORDER OF THE BOARD OF DIRECTORS,**

R. Newell Graham

Chairman of the Board

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON \_\_\_\_\_, 2014**

To the Shareholders of Liberty Bancshares, Inc.:

Liberty Bancshares, Inc. will hold a special meeting of shareholders at \_\_\_\_\_ local time, on \_\_\_\_\_, 2014, at 5400 Highland Springs Boulevard, Springfield, Missouri 65809, to consider and vote upon the following matters:

a proposal to approve the Agreement and Plan of Merger, dated as of May 27, 2014, as amended on September 11, 2014, by and between Simmons First National Corporation and Liberty Bancshares, Inc., pursuant to which Liberty will merge with and into Simmons, as more fully described in the attached joint proxy statement/prospectus, which we refer to as the Liberty merger proposal; and

a proposal to adjourn the Liberty special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Liberty merger proposal, which we refer to as the Liberty adjournment proposal.

We have fixed the close of business on \_\_\_\_\_, 2014 as the record date for the Liberty special meeting. Only Liberty common shareholders of record at that time are entitled to notice of, and to vote at, the Liberty special meeting, or any adjournment or postponement of the Liberty special meeting. Approval of the Liberty merger proposal requires the affirmative vote of holders of two-thirds of the outstanding shares of Liberty common stock entitled to vote at such meeting. Approval of the Liberty adjournment proposal requires the affirmative vote of holders of a majority of shares of common stock represented at the special meeting.

**Liberty's board of directors has adopted the Liberty merger agreement, has determined that the Liberty merger agreement and the transactions contemplated thereby, including the merger, are in the best interests of Liberty and its shareholders, and unanimously recommends that Liberty shareholders vote FOR the Liberty merger proposal and FOR the Liberty adjournment proposal, if necessary or appropriate.**

**Your vote is very important.** We cannot complete the Liberty merger unless Liberty's common shareholders approve the Liberty merger proposal.

**Regardless of whether you plan to attend the Liberty special meeting, please vote as soon as possible by completing, signing, dating and returning your proxy card in the enclosed postage-paid return envelope. If you hold your stock in street name through a bank or broker, please follow the instructions on the voting instruction card furnished by the record holder.**

Under Missouri law, Liberty shareholders who do not vote in favor of the merger proposal and follow certain procedural steps will be entitled to dissenters' rights. See Questions and Answers Are Liberty shareholders entitled to dissenters' rights?

The enclosed joint proxy statement/prospectus provides a detailed description of the special meetings, the mergers, the documents related to the mergers and other related matters. We urge you to read the joint proxy statement/prospectus, including any documents incorporated in the joint proxy statement/prospectus by reference, and its annexes carefully and in their entirety.

**BY ORDER OF THE BOARD OF DIRECTORS,**

Gary E. Metzger

Chairman and Chief Executive Officer

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**QUESTIONS AND ANSWERS**

The following are some questions that you may have about the Community First merger or the Liberty merger, which we collectively refer to as the mergers, and the Simmons, Community First or Liberty special meetings, and brief answers to those questions. We urge you to read carefully the remainder of this joint proxy statement/prospectus because the information in this section does not provide all of the information that might be important to you with respect to the mergers and the Simmons, Community First or Liberty special meetings. Additional important information is also contained in the documents incorporated by reference into this joint proxy statement/prospectus. See **Where You Can Find More Information**.

Unless the context otherwise requires, references in this joint proxy statement/prospectus to **Simmons** refer to Simmons First National Corporation, an Arkansas corporation, and its subsidiaries, references to **Community First** refer to Community First Bancshares, Inc., a Tennessee corporation, and its subsidiaries, and references to **Liberty** refer to Liberty Bancshares, Inc., a Missouri corporation, and its subsidiaries.

**Q: What are the mergers?**

A: Simmons and Community First have entered into an Agreement and Plan of Merger, dated as of May 6, 2014, as amended on September 11, 2014, which we refer to as the Community First merger agreement, and Simmons and Liberty have entered into an Agreement and Plan of Merger, dated as of May 27, 2014, as amended on September 11, 2014, which we refer to as the Liberty merger agreement, and collectively we refer to the Community First merger agreement and the Liberty merger agreement as the merger agreements. Under the Community First merger agreement, Community First will be merged with and into Simmons, with Simmons continuing as the surviving corporation, and under the Liberty merger agreement, Liberty will be merged with and into Simmons, with Simmons continuing as the surviving corporation. Copies of the Community First merger agreement and the Liberty merger agreement are included in this joint proxy statement/prospectus as Annex A and Annex B, respectively.

The mergers cannot be completed unless, among other things, the Simmons shareholders, Community First shareholders and Liberty shareholders approve their respective proposals to approve the merger agreements.

**Q: Is the consummation of one merger conditioned on the consummation of the other merger?**

A: No. The Community First merger may be consummated regardless of whether the Liberty merger is consummated. Similarly, the Liberty merger may be consummated regardless of whether the Community First merger is consummated.

**Q: Why am I receiving this joint proxy statement/prospectus?**

A: We are delivering this document to you because it is a joint proxy statement being used by the Simmons, Community First and Liberty boards of directors to solicit proxies of their respective shareholders in connection

with approval of the mergers and related matters.

In order to approve the mergers and related matters, Simmons, Community First and Liberty have each called a special meeting of their common shareholders, which we refer to as the Simmons special meeting, Community First special meeting and the Liberty special meeting, respectively. This document serves as a proxy statement for the Simmons special meeting, Community First special meeting and the Liberty special meeting and describes the proposals to be presented at the meetings.

This document is also a prospectus that is being delivered to Community First shareholders and Liberty shareholders because Simmons is offering shares of its common stock to both the Community First shareholders and the Liberty shareholders in connection with the mergers.

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This joint proxy statement/prospectus contains important information about the mergers and the other proposals being voted on at the meetings. You should read it carefully and in its entirety. The enclosed materials allow you to have your shares voted by proxy without attending your meeting. Your vote is important. We encourage you to submit your proxy as soon as possible.

**Q: In addition to the Community First merger proposal and Liberty merger proposal, what else are Simmons shareholders being asked to vote on?**

A: In addition to the two merger proposals, Simmons is soliciting proxies from its shareholders with respect to (1) a proposal to designate the number of members comprising the board of directors of Simmons as 12, increasing by three the number of Simmons directors, which we refer to as the Simmons director proposal, (2) a proposal to adjourn the Simmons special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Community First merger proposal, which we refer to as the Simmons/Community First adjournment proposal, and (3) a proposal to adjourn the Simmons special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Liberty merger proposal, which we refer to as the Simmons/Liberty adjournment proposal. Approval of the Simmons director proposal is necessary for the completion of the Community First merger and the Liberty merger. Completion of the Community First merger and the Liberty merger are not conditioned upon approval of either of the Simmons/Community First adjournment proposal or the Simmons/Liberty adjournment proposal.

**Q: In addition to the Community First merger proposal, what else are Community First shareholders being asked to vote on?**

A: In addition to the Community First merger proposal, Community First is soliciting proxies from its shareholders with respect to a proposal to adjourn the Community First special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Community First merger proposal, which we refer to as the Community First adjournment proposal.

Completion of the Community First merger is not conditioned upon approval of the Community First adjournment proposal.

**Q: In addition to the Liberty merger proposal, what else are Liberty shareholders being asked to vote on?**

A: In addition to the Liberty merger proposal, Liberty is soliciting proxies from its shareholders with respect to a proposal to adjourn the Liberty special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Liberty merger proposal, which we refer to as the Liberty adjournment proposal.

Completion of the Liberty merger is not conditioned upon approval of the Liberty adjournment proposal.

**Q: What will Community First shareholders receive in the merger?**

- A: If the Community First merger is completed, holders of Community First common stock will receive 17.8975 shares of Simmons common stock (subject to possible adjustments), which we refer to as the Community First merger consideration, for each share of Community First common stock held immediately prior to the merger. Simmons will not issue any fractional shares of Simmons common stock in the Community First merger. Community First shareholders who would otherwise be entitled to a fractional share of Simmons common stock upon the completion of the Community First merger will instead receive an amount in cash equal to the product of the average of the last reported sale prices per share of Simmons common stock as reported on the NASDAQ Global Select Market for the 20 consecutive trading days ending immediately prior to the 10th day before the date on which the Community First merger is completed, times the fraction of a share of Simmons common stock to which the Community First shareholder otherwise would be entitled.

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If the number of shares of Community First common stock outstanding (including shares of Community First restricted common stock) increases or decreases prior to the effective time of the Community First merger, then the number of shares of Simmons common stock to be issued for each share of Community First common stock shall be adjusted from 17.8975 shares of Simmons common stock to a number that will result in Simmons issuing no more than 6,624,000 shares of Simmons common stock in the Community First merger. We refer to the number of shares of Simmons common stock to be issued for each share of Community First common stock, as adjusted, as the Community First exchange ratio. In addition, if the Community First board of directors exercises its right to terminate the Community First merger agreement due to the decrease in the average closing price of Simmons common stock relative to an index of banking stocks, Simmons may elect to increase the Community First merger consideration by paying, in addition to shares of Simmons common stock, cash for each share of Community First common stock. See The Merger Agreements Walkaway Counteroffers Community First Merger.

In addition to the Community First common stock being exchanged for Simmons common stock, Community First Senior Non-Cumulative Perpetual Preferred Stock, Series C, or Community First Series C preferred stock, will be exchanged for a new series of Simmons preferred stock designated as Simmons Senior Non-Cumulative Perpetual Preferred Stock, Series A, or Simmons Series A preferred stock, with substantially identical terms, except that Simmons Series A preferred stock will not have any transfer restrictions or be subject to registration rights.

### **Q: Is approval of the Community First merger by the holder of the Community First Series C preferred stock necessary for the completion of the Community First merger?**

A: Yes. The written consent of the holder of the Community First Series C preferred stock is required for completion of the Community First merger.

### **Q: What will Liberty shareholders receive in the merger?**

A: If the Liberty merger is completed, Liberty shareholders will receive 1.0 share of Simmons common stock (subject to possible adjustment), which we refer to as the Liberty merger consideration, for each share of Liberty common stock held immediately prior to the Liberty merger. We refer to the Community First merger consideration and the Liberty merger consideration collectively as the merger consideration. Simmons will not issue any fractional shares of Simmons common stock in the Liberty merger. Liberty shareholders who would otherwise be entitled to a fractional share of Simmons common stock upon the completion of the merger will instead receive an amount in cash equal to the product of the average of the last reported sale prices per share of Simmons common stock as reported on the NASDAQ Global Select Market for the 20 consecutive trading days ending immediately prior to the 10th day before the date on which the Liberty merger is completed, times the fraction of a share of Simmons common stock to which the Liberty shareholder otherwise would be entitled.

If the number of shares of Liberty common stock outstanding (including shares of Liberty common stock subject to Liberty stock options) increases or decreases prior to the effective time of the Liberty merger, then the number of shares of Simmons common stock to be issued for each share of Liberty common stock shall be adjusted from 1.0 share of Simmons common stock to a number that will result in Simmons issuing no more than 5,247,187 shares of Simmons common stock in the Liberty merger. We refer to the number of shares of Simmons common stock to be issued for each of share of Liberty common stock, as adjusted, as the Liberty exchange ratio. In addition, if the Liberty board of directors exercises its right to terminate the Liberty merger agreement due to the decrease in the average

closing price of Simmons common stock relative to an index of banking stocks, Simmons may elect to increase the Liberty merger consideration by paying, in addition to shares of Simmons common stock, cash for each share of Liberty common stock. See The Merger Agreements Walkaway Counteroffers Liberty Merger.



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**Q: What will Simmons shareholders receive in the mergers?**

A: If either or both of the mergers are completed, Simmons shareholders will not receive any merger consideration and will continue to hold the shares of Simmons common stock that they currently hold. Following the mergers, shares of Simmons common stock will continue to be traded on the NASDAQ Global Select Market under the symbol SFNC.

**Q: How will the Community First merger affect Community First restricted stock?**

A: Each share of Community First restricted stock, that is not Community First double trigger restricted stock, will vest at the effective time of the Community First merger and will be entitled to be exchanged for the Community First merger consideration in the same manner as unrestricted shares of Community First common stock. Each share of Community First double trigger restricted stock will be exchanged for the Community First merger consideration but the shares of Simmons common stock received as Community First merger consideration shall not vest at the effective time of the Community First merger but instead shall vest or be forfeited pursuant to the terms of the Community First stock plan under which they were granted (taking into account that the consummation of the Community First merger and its related transactions will constitute the first trigger for the Community First double trigger restricted stock). Community First double trigger restricted stock are shares of Community First restricted stock that vest only upon both a change in control of Community First and two years of continued service following the change in control of Community First by the holder of Community First double trigger restricted stock.

**Q: How will the Liberty merger affect Liberty stock options?**

A: Each option to purchase shares of Liberty common stock outstanding immediately prior to the effective time of the Liberty merger will be converted into an option to purchase Simmons common stock on the same terms and conditions as were applicable prior to the Liberty merger, except that (1) the number of shares of Simmons common stock subject to the new option will be equal to the product of the number of shares of Liberty common stock subject to the existing option and the Liberty exchange ratio and (2) the exercise price per share of Simmons common stock under the new option will be equal to the exercise price per share of Liberty common stock of the existing option divided by the Liberty exchange ratio.

**Q: Will the value of the merger consideration change between the date of this joint proxy statement/prospectus and the time the mergers are completed?**

A: Because the number of shares of Simmons common stock that both Community First and Liberty shareholders will receive for each share of Community First common stock and Liberty common stock, respectively, is fixed (subject, in each case, to possible adjustment), the value of the merger consideration in each merger will fluctuate between the date of this joint proxy statement/prospectus and the completion of the mergers based upon the market value for Simmons common stock. Any fluctuation in the market price of Simmons common stock after the date of this joint proxy statement/prospectus will change the value of the shares of Simmons common stock

that both Community First and Liberty shareholders will receive, subject to any payment made by Simmons in connection with a walkaway counteroffer.

**Q: How does Simmons board of directors recommend that Simmons shareholders vote at the Simmons special meeting?**

A: Simmons board of directors unanimously recommends that Simmons shareholders vote **FOR** both merger proposals, **FOR** the Simmons director proposal, **FOR** the Simmons/Community First adjournment proposal, if necessary or appropriate, and **FOR** the Simmons/Liberty adjournment proposal, if necessary or appropriate.

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**Q: How does Community First's board of directors recommend that Community First shareholders vote at the Community First special meeting?**

A: Community First's board of directors unanimously recommends that Community First shareholders vote **FOR** the Community First merger proposal and **FOR** the Community First adjournment proposal, if necessary or appropriate.

**Q: How does Liberty's board of directors recommend that Liberty shareholders vote at the Liberty special meeting?**

A: Liberty's board of directors unanimously recommends that Liberty shareholders vote **FOR** the Liberty merger proposal and **FOR** the Liberty adjournment proposal, if necessary or appropriate.

**Q: When and where are the meetings?**

A: The Simmons special meeting will be held at \_\_\_\_\_ on \_\_\_\_\_, 2014, at \_\_\_\_\_ local time.

The Community First special meeting will be held at the 100 East Reelfoot Avenue, Union City, Tennessee 38261 on \_\_\_\_\_, 2014, at \_\_\_\_\_ local time.

The Liberty special meeting will be held at 5400 Highland Springs Boulevard, Springfield, Missouri 65809 on \_\_\_\_\_, 2014, at \_\_\_\_\_ local time.

**Q: What do I need to do now?**

A: After you have carefully read this joint proxy statement/prospectus in its entirety and have decided how you wish to vote your shares, please vote your shares promptly so that your shares are represented and voted at your special meeting. If you hold your shares in your name as a shareholder of record, you must complete, sign, date and mail your proxy card in the enclosed postage-paid return envelope as soon as possible. Alternatively, if you are a Simmons shareholder, you may vote through the internet or by telephone. Information and applicable deadlines for voting by internet or by telephone are set forth in the enclosed proxy card instructions. If you are a Simmons shareholder, you are encouraged to vote through the internet or by telephone. If you hold your shares in \_\_\_\_\_ street name through a bank or broker, you must direct your bank or broker how to vote in accordance with the instructions you have received from your bank or broker. \_\_\_\_\_ street name shareholders who wish to vote in person at the special meetings will need to obtain a legal proxy from the institution that holds their shares.

**Q: What constitutes a quorum for the Simmons special meeting?**

A: The presence at the Simmons special meeting, in person or by proxy, of holders of a majority of the outstanding shares of Simmons common stock entitled to vote at the Simmons special meeting will constitute a quorum.

**Q: What constitutes a quorum for the Community First special meeting?**

A: The presence at the Community First special meeting, in person or by proxy, of holders of a majority of the outstanding shares of Community First common stock entitled to vote at the Community First special meeting will constitute a quorum. Community First will seek the written consent of the holder of the Community First Series C preferred stock for the Community First merger. As a result, Community First does not expect the holder of the Community First Series C preferred stock to attend or vote at the Community First special meeting.

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**Q: What constitutes a quorum for the Liberty special meeting?**

A: The presence at the Liberty special meeting, in person or by proxy, of holders of a majority of the votes entitled to be cast at the Liberty special meeting will constitute a quorum.

**Q: What is the vote required to approve each proposal at the Simmons special meeting?**

A: *Community First and Liberty merger proposals:*

*Standard:* Approval of both of the Community First and Liberty merger proposals require the affirmative vote of holders of a majority of the votes entitled to be cast on the proposal.

*Effect of abstentions and broker non-votes:* If you mark **ABSTAIN** on your proxy card, fail to either submit a proxy card or vote by telephone or the internet or in person at the Simmons special meeting or fail to instruct your bank or broker with respect to the merger proposals, it will have the same effect as a vote **AGAINST** the merger proposals.

*Simmons director proposal:*

*Standard:* Approval of the Simmons director proposal requires the affirmative vote of holders of a majority of shares cast on the Simmons director proposal.

*Effect of abstentions and broker non-votes:* If you mark **ABSTAIN** on your proxy card, fail to instruct your bank or broker how to vote or fail to either submit a proxy card entirely or vote by telephone or the internet or in person at the Simmons special meeting, with respect to the Simmons director proposal, it will have no effect on such proposal.

*Simmons/Community First and Simmons/Liberty adjournment proposals:*

*Standard:* Approval of each of the Simmons/Community First and Simmons/Liberty adjournment proposals requires the affirmative vote of holders of a majority of shares of Simmons common stock cast on such proposal.

*Effect of abstentions and broker non-votes:* If you mark **ABSTAIN** on your proxy card, fail to instruct your bank or broker how to vote or fail to either submit a proxy card entirely or vote by telephone or the internet or in person at the Simmons special meeting, with respect to the Simmons/Community First or Simmons/Liberty adjournment proposals, it will have no effect on the respective proposals.

**Q: What is the vote required to approve each proposal at the Community First special meeting?**

A: *Community First merger proposal:*

*Standard:* Approval of the Community First merger proposal requires the affirmative vote of holders of a majority of the votes entitled to vote on the proposal.

*Effect of abstentions and broker non-votes:* If you mark **ABSTAIN** on your proxy card, fail to submit a proxy card or vote in person at the Community First special meeting or fail to instruct your bank or broker how to vote with respect

to the Community First merger proposal, it will have the same effect as a vote AGAINST the proposal.

*Community First adjournment proposal:*

*Standard:* Approval of the Community First adjournment proposal requires the affirmative vote of holders of a majority of shares represented at the Community First special meeting.

*Effect of abstentions and broker non-votes:* If you mark ABSTAIN on your proxy card, or fail to instruct your bank or broker how to vote, with respect to the Community First adjournment proposal, it will have the same effect as a vote AGAINST the proposal. If you are a street name holder and fail to submit a proxy card or vote in person at the Community First special meeting, it will have no effect on such proposal.

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**Q: What is the vote required to approve each proposal at the Liberty special meeting?**

A: *Liberty merger proposal:*

*Standard:* Approval of the Liberty merger proposal requires the affirmative vote of holders of two-thirds of the outstanding shares of Liberty common stock entitled to vote at such meeting.

*Effect of abstentions and broker non-votes:* If you mark **ABSTAIN** on your proxy card, fail to either submit a proxy card or vote in person at the Liberty special meeting or fail to instruct your bank or broker how to vote with respect to the Liberty merger proposal, it will have the same effect as a vote **AGAINST** the proposal.

*Liberty adjournment proposal:*

*Standard:* Approval of the Liberty adjournment proposal requires the affirmative vote of holders of a majority of shares represented at the Liberty special meeting.

*Effect of abstentions and broker non-votes:* If you mark **ABSTAIN** on your proxy card, or fail to instruct your bank or broker how to vote, with respect to the Liberty adjournment proposal, it will have the same effect as a vote **AGAINST** the proposal. If you are a **street name** holder and fail to either submit a proxy card entirely or vote in person at the Liberty special meeting, it will have no effect on such proposal.

**Q: Why is my vote important?**

A: If you do not vote, it will be more difficult for Simmons, Community First or Liberty to obtain the necessary quorum to hold their special meetings. In addition, your failure to submit a proxy or vote in person, failure to vote by telephone or the internet for Simmons shareholders, or failure to instruct your bank or broker how to vote, or abstention will have the same effect as a vote **AGAINST** approval of the merger agreements. The merger agreements must be approved by the affirmative vote of holders of a majority of the votes entitled to be cast by Simmons shareholders on both merger agreements, the affirmative vote of holders of a majority of the votes entitled to vote by Community First shareholders on the Community First merger agreement and the affirmative vote of holders of two-thirds of the outstanding shares of Liberty common stock entitled to vote by Liberty shareholders on the Liberty merger agreement. The Simmons board of directors recommends that you vote **FOR** both merger proposals, and the Community First board of directors and the Liberty board of directors unanimously recommend that you vote **FOR** the Community First merger proposal and **FOR** the Liberty merger proposal, respectively.

**Q: If my shares of common stock are held in **street name** by my bank or broker, will my bank or broker automatically vote my shares for me?**

A: No. Your bank or broker cannot vote your shares without instructions from you. You should instruct your bank or broker how to vote your shares in accordance with the instructions provided to you. Please check the voting form used by your bank or broker.

**Q: How do I vote if I own shares through the Simmons First National Corporation Employee Stock Ownership Plan, or Simmons ESOP?**

A: You will be given the opportunity to instruct the trustee of the Simmons ESOP how to vote the shares that you hold in your account. To the extent that you do not timely give such instructions, your shares will not be voted.

**Q: Can I attend the meeting and vote my shares in person?**

A: Yes. All shareholders of Simmons, Community First and Liberty, including shareholders of record and shareholders who hold their shares through banks, brokers, nominees or any other holder of record, are invited to attend their respective meetings. Holders of record of Simmons, Community First and Liberty common stock can vote in person at the Simmons special meeting, Community First special meeting and



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Liberty special meeting, respectively. Holders of record of Simmons common stock can also vote by telephone or the internet. If you are not a shareholder of record, you must obtain a proxy card, executed in your favor, from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the meetings. If you plan to attend your meeting, you must hold your shares in your own name or bring a copy of a bank or brokerage statement to the special meeting reflecting your stock ownership as of the record date. In addition, you must bring a form of personal photo identification with you in order to be admitted. Simmons, Community First and Liberty reserve the right to refuse admittance to anyone without proper proof of share ownership or without proper photo identification.

### **Q: Can I change my vote?**

**A: *Simmons shareholders:*** Yes. If you are a holder of record of Simmons common stock, you may revoke any proxy at any time before it is voted by (1) signing and returning a proxy card with a later date, (2) delivering a written revocation letter to Simmons' corporate secretary, (3) attending the special meeting in person, notifying the corporate secretary and voting by ballot at the special meeting, or (4) voting by telephone or the internet at a later time. Attendance at the special meeting by itself will not automatically revoke your proxy. A revocation or later-dated proxy received by Simmons after the vote will not affect the vote. Simmons' corporate secretary's mailing address is: Corporate Secretary, Simmons First National Corporation, 501 Main Street, P.O. Box 7009, Pine Bluff, Arkansas 71611. If you hold your shares in street name through a bank or broker, you should contact your bank or broker to revoke your proxy.

***Community First shareholders:*** Yes. If you are a holder of record of Community First common stock, you may revoke any proxy at any time before it is voted by (1) signing and returning a proxy card with a later date, (2) delivering a written revocation letter to Community First's corporate secretary, or (3) attending the special meeting in person, notifying the corporate secretary and voting by ballot at the special meeting. Attendance at the special meeting by itself will not automatically revoke your proxy. A revocation or later-dated proxy received by Community First after the vote will not affect the vote. Community First's corporate secretary's mailing address is: Corporate Secretary, Community First Bancshares, Inc., 115 West Washington Avenue, Union City, Tennessee 38261. If you hold your shares in street name through a bank or broker, you should contact your bank or broker to revoke your proxy.

***Liberty shareholders:*** Yes. If you are a holder of record of Liberty common stock, you may revoke any proxy at any time before it is voted by (1) signing and returning a proxy card with a later date, (2) delivering a written revocation letter to Liberty's corporate secretary, or (3) attending the special meeting in person, notifying the corporate secretary and voting by ballot at the special meeting. Attendance at the special meeting by itself will not automatically revoke your proxy. A revocation or later-dated proxy received by Liberty after the vote will not affect the vote. Liberty's corporate secretary's mailing address is: Corporate Secretary, Liberty Bancshares, Inc., 4625 South National Avenue, Springfield, Missouri 65810. If you hold your shares in street name through a bank or broker, you should contact your bank or broker to revoke your proxy.

### **Q: What are the U.S. federal income tax consequences of the merger to Community First shareholders and Liberty shareholders?**

**A:** The mergers are intended to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, or the Code, and it is a condition to the respective obligations of Simmons, Community First and

Liberty to complete the mergers that each of Simmons, Community First and Liberty receives a legal opinion to that effect. The opinion as issued indicates that a Community First shareholder and a Liberty common shareholder generally will receive shares of Simmons common stock in exchange for the shares of Community First common stock or Liberty common stock in a tax free exchange without the recognition of gain or loss. However, a Community First common shareholder or a Liberty common shareholder generally will recognize gain or loss with respect to cash received instead of fractional shares of Simmons common stock that the Community First common shareholder or the Liberty common shareholder would otherwise be entitled to receive. In connection with the filing of the registration statement of which

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this joint proxy statement/prospectus is a part, Quattlebaum, Grooms, Tull & Burrow, PLLC has delivered an opinion to Simmons, Community First and Liberty, respectively, to the same effect. These tax opinions are exhibits to this registration statement. For further information, see United States Federal Income Tax Consequences of the Merger.

*The U.S. federal income tax consequences described above may not apply to all holders of Community First common stock or Liberty common stock. Your tax consequences will depend on your individual situation. Accordingly, we strongly urge you to consult your independent tax advisor for a full understanding of the particular tax consequences of the merger to you.*

**Q: Are Simmons shareholders entitled to dissenters' rights?**

A: Yes. Simmons shareholders who do not vote in favor of either the Community First merger proposal or the Liberty merger proposal and follow certain procedural steps will be entitled to dissenters' rights under Subchapter 13 of the Arkansas Business Corporation Act, or ABCA, provided they take the steps required to perfect their rights thereunder. For further information, see The Mergers Simmons Shareholders Dissenters' Rights in the Community First Merger and Liberty Merger. In addition, a copy of Subchapter 13 of the ABCA is attached as Annex G to this joint proxy statement/prospectus.

**Q: Are Community First shareholders entitled to dissenters' rights?**

A: Yes. Community First shareholders who do not vote in favor of the Community First merger proposal and follow certain procedural steps will be entitled to dissenters' rights under Chapter 23 of the Tennessee Business Corporation Act, or TBCA, provided they take the steps required to perfect their rights under Sections 48-23-101 to 48-23-302. For further information, see The Community First Merger Dissenters' Rights in the Community First Merger. In addition, a copy of Chapter 23 of the TBCA is attached as Annex H to this joint proxy statement/prospectus.

**Q: Are Liberty shareholders entitled to dissenters' rights?**

A: Yes. Liberty shareholders who do not vote in favor of the Liberty merger proposal and follow certain procedural steps will be entitled to dissenters' rights under Section 351.455 of The General and Business Corporation Law of Missouri, or GBCM, provided they take the steps required to perfect their rights thereunder. For further information, see The Liberty Merger Dissenters' Rights in the Liberty Merger. In addition, a copy of Section 351.455 of the GBCM is attached as Annex I to this joint proxy statement/prospectus.

**Q: If I am a Community First or Liberty shareholder, should I send in my Community First or Liberty stock certificates now?**

A:

No. Community First or Liberty shareholders SHOULD NOT send in any stock certificates now. If either or both of the mergers occur, an exchange agent will send you instructions for exchanging Community First or Liberty stock certificates for the applicable merger consideration under separate cover and the stock certificates should be sent at that time in accordance with those instructions. See The Merger Agreements Conversion of Shares; Exchange of Certificates.

**Q: What should I do if I hold my shares of Community First common stock or Liberty common stock in book-entry form?**

A: If either or both of the mergers occur, you are not required to take any special additional action to receive the merger consideration if your shares of Community First common stock or Liberty common stock are held in book-entry form. After the completion of the applicable merger, shares of Community First common stock or Liberty common stock held in book-entry form automatically will be exchanged for the applicable merger consideration, including shares of Simmons common stock in book-entry form, and any cash to be paid in exchange for fractional shares in the applicable merger.

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**Q: Whom may I contact if I cannot locate my Community First stock certificate(s)?**

A: If you are unable to locate your original Community First stock certificate(s), you should contact Community First's corporate secretary, Kathy Barber, at (731) 886-8850.

**Q: Whom may I contact if I cannot locate my Liberty stock certificate(s)?**

A: If you are unable to locate your original Liberty stock certificate(s), you should contact Liberty's corporate secretary, Pat Sechler, at (417) 875-7574.

**Q: What should I do if I receive more than one set of voting materials?**

A: Simmons shareholders, Community First shareholders and Liberty shareholders may receive more than one set of voting materials, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold shares of Simmons and/or Community First and/or Liberty common stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold such shares. If you are a holder of record of Simmons common stock, Community First common stock or Liberty common stock and your shares are registered in more than one name, you will receive more than one proxy card. In addition, if you are a holder of Simmons common stock and/or Community First common stock and/or Liberty common stock, you will receive one or more separate proxy cards or voting instruction cards for each company. Please complete, sign, date and return each proxy card and voting instruction card that you receive or otherwise follow the voting instructions set forth in this joint proxy statement/prospectus to ensure that you vote every share of Simmons common stock and/or Community First common stock and/or Liberty common stock that you own.

**Q: When do you expect to complete the mergers?**

A: Each of Simmons, Community First and Liberty expect to complete the applicable merger in the fourth quarter of 2014. However, Simmons, Community First or Liberty cannot assure you of when or if the applicable merger will be completed. Simmons, Community First and Liberty must first obtain the approval of Simmons shareholders, Community First shareholders and Liberty shareholders for the applicable merger, as well as obtain necessary regulatory approvals and satisfy certain other closing conditions.

**Q: What happens if the mergers are not completed?**

A: If the mergers are not completed, holders of Community First common stock or Liberty common stock, as applicable, will not receive any merger consideration for their shares in connection with the applicable merger and the holder of the Community First Series C preferred stock will not receive shares of Simmons Series A

preferred stock. Instead, Community First or Liberty or both will remain an independent company. In addition, if either or both of the merger agreements are terminated in certain circumstances, a termination fee may be required to be paid by either Community First or Liberty. See *The Merger Agreements Termination Fees* for a discussion of the circumstances under which termination fees will be required to be paid.

**Q: Whom should I call with questions?**

A: *Simmons shareholders*: If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies of this joint proxy statement/prospectus or need help voting your shares of Simmons common stock, please contact Investor Relations at (870) 541-1243, or Simmons proxy solicitor, Eagle Rock Proxy Advisors, at the following address or telephone number: 12 Commerce Drive, Cranford, New Jersey 07016 or (888) 859-0692.

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*Community First shareholders:* If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies of this joint proxy statement/prospectus or need help voting your shares of Community First common stock, please contact Kathy Barber, Corporate Secretary, at the following address or telephone number: 115 West Washington Avenue, Union City, Tennessee 38261 or (731) 886-8850.

*Liberty shareholders:* If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies of this joint proxy statement/prospectus or need help voting your shares of Liberty common stock, please contact Caroline Butler, Chief Financial Officer at the following address or telephone number: 4625 South National Avenue, Springfield, Missouri 65810 or (417) 875-7574.

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**SUMMARY**

**This summary highlights selected information from this joint proxy statement/prospectus. It may not contain all of the information that is important to you. We urge you to read carefully the entire joint proxy statement/prospectus, including the annexes, and the other documents to which we refer in order to fully understand the merger. See [Where You Can Find More Information](#). Each item in this summary refers to the page of this joint proxy statement/prospectus on which that subject is discussed in more detail.**

**The Companies (pages 72, 75 and 76)**

***Simmons***

Simmons is a financial holding company registered under the Bank Holding Company Act of 1956, as amended, or the BHC Act. Simmons is headquartered in Arkansas and as of June 30, 2014, had total assets of \$4.3 billion, loans of \$2.4 billion, deposits of \$3.6 billion and equity capital of \$414.1 million. As of June 30, 2014, Simmons conducted its banking operations through 103 branches or financial centers located in 56 communities in Arkansas, Missouri and Kansas.

Simmons common stock is traded on the NASDAQ Global Select Market under the symbol *SFNC*. Simmons principal executive offices are located at 501 Main Street, Pine Bluff, Arkansas 71601, and its telephone number is (870) 541-1000. Simmons also has corporate offices in Little Rock, Arkansas.

Additional information about Simmons and its subsidiaries is included in documents incorporated by reference in this joint proxy statement/prospectus. See [Where You Can Find More Information](#).

***Community First***

Community First is a bank holding company registered under the BHC Act. Community First is headquartered in Union City, Tennessee and as of June 30, 2014, had total assets of \$1.9 billion, loans of \$1.1 billion, deposits of \$1.6 billion and equity capital of \$179.4 million. Community First conducts its banking operations through 31 branches or financial centers located in 25 communities in Tennessee.

Community First is a community-focused financial institution that offers a full range of financial services to individuals, businesses, municipal entities, and nonprofit organizations in the communities that it serves. These services include consumer and commercial loans, deposit accounts, trust services, safe deposit services, consumer finance, insurance, mortgage lending, and Small Business Administration, or SBA, lending. Community First operates through its wholly owned bank subsidiary, First State Bank, which was founded in 1887, and is the fifth largest bank headquartered in Tennessee based on deposits.

Community First's principal executive offices are located at 115 West Washington Avenue, Union City, Tennessee 38261, and its telephone number is (731) 886-8800.

***Liberty***

Liberty is a bank holding company registered under the BHC Act. Liberty is headquartered in Springfield, Missouri and as of June 30, 2014, had total assets of \$1.1 billion, loans of \$802.5 million, deposits of \$881.2 million and equity capital of \$104.0 million. Liberty conducts its banking operations through 24 financial centers located in 16 communities in Missouri.



Liberty is a community-focused financial institution that offers a full range of financial services to individuals, businesses, municipal entities, and nonprofit organizations in the communities that it serves. These

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services include consumer and commercial loans, deposit accounts, trust services, safe deposit services, consumer finance, insurance, mortgage lending, and SBA lending. Liberty operates through its wholly owned bank subsidiary, Liberty Bank, which was founded in 1995.

Liberty's principal executive offices are located at 4625 South National Avenue, Springfield, Missouri 65810, and its telephone number is (417) 888-3000.

**In the Mergers, both Community First Shareholders and Liberty Shareholders Will Receive Shares of Simmons Common Stock and Cash in Lieu of Fractional Shares (page 154)**

Simmons and Community First, and Simmons and Liberty are respectively proposing strategic mergers. If the mergers are completed, Community First shareholders will receive 17.8975 shares of Simmons common stock and Liberty shareholders will receive 1.0 share of Simmons common stock, respectively, for each share of Community First common stock or Liberty common stock they hold immediately prior to the effective time of the applicable merger. Simmons will not issue any fractional shares of Simmons common stock in the mergers. Community First shareholders who would otherwise be entitled to a fraction of a share of Simmons common stock upon the completion of the Community First merger will instead receive, for the fraction of a share, an amount in cash equal to the product of the average of the last reported sale prices per share of Simmons common stock as reported on the NASDAQ Global Select Market for the 20 consecutive trading days ending immediately prior to the 10th day before the date on which the Community First merger is completed, times the fraction of a share of Simmons common stock to which the Community First shareholder otherwise would be entitled. Liberty shareholders who would otherwise be entitled to a fraction of a share of Simmons common stock upon the completion of the Liberty merger will instead receive, for the fraction of a share, an amount in cash equal to the product of the average of the last reported sale prices per share of Simmons common stock as reported on the NASDAQ Global Select Market for the 20 consecutive trading days ending immediately prior to the 10th day before the date on which the Liberty merger is completed, times the fraction of a share of Simmons common stock to which the Liberty shareholder otherwise would be entitled. *For example, if you hold 100 shares of Community First common stock, you will receive 1,789 shares of Simmons common stock and a cash payment instead of the additional 0.75 shares of Simmons common stock that you otherwise would have received (100 shares  $\times$  17.8975 = 1,789.75 shares), and if you hold 100 shares of Liberty common stock, you will receive 100 shares of Simmons common stock (100 shares  $\times$  1.0 = 100 shares).*

Simmons common stock is listed on the NASDAQ Global Select Market under the symbol SFNC. The following tables show the closing sale prices of Simmons common stock as reported on the NASDAQ Global Select Market on May 5, 2014, the last full trading day before the public announcement of the Community First merger agreement, May 27, 2014, the last full trading day before the public announcement of the Liberty merger agreement, and on \_\_\_\_\_, 2014, the last practicable trading day before the date of this joint proxy statement/prospectus. These tables also show the implied value of the Community First merger consideration payable for each share of Community First common stock and the Liberty merger consideration payable for each share of Liberty common stock, each of which we calculated by multiplying the closing price of Simmons common stock on those dates by the exchange ratios of 17.8975 and 1.0, respectively. There is no established public trading market for Community First common stock or Liberty common stock. In addition, because there have been no recent private sales of Community First common stock or Liberty common stock of which Simmons, Community First or Liberty are aware, no recent price data regarding Community First common stock or Liberty common stock is available.

Simmons Common Stock	Implied Value of Merger Consideration for One Share
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			of Community First Common Stock
May 5, 2014		\$ 36.74	\$ 657.55
	, 2014	\$	\$

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	Simmons Common Stock	Implied Value of Merger Consideration for One Share of Liberty Common Stock
May 27, 2014	\$ 40.62	\$ 40.62
, 2014	\$	\$

In addition to the Community First common stock being exchanged for Simmons common stock, the Community First Series C preferred stock will be exchanged for a new series of Simmons preferred stock designated as Simmons Series A preferred stock, with substantially identical terms, except that Simmons Series A preferred stock will not have any transfer restrictions or be subject to registration rights.

The merger agreements govern the mergers. The Community First merger agreement and the Liberty merger agreement are included in this joint proxy statement/prospectus as Annex A and Annex B, respectively. All descriptions in this summary and elsewhere in this joint proxy statement/prospectus of the terms and conditions of the mergers are qualified by reference to the respective merger agreements. Please read the applicable merger agreement carefully for a more complete understanding of the applicable merger.

**Simmons Board of Directors Unanimously Recommends that Simmons Shareholders Vote FOR the Community First Merger Proposal, the Liberty Merger Proposal, the Simmons Director Proposal and any Other Proposals Presented at Simmons Special Meeting (page 60)**

Simmons board of directors has determined that the mergers, the merger agreements and the transactions contemplated by each of the merger agreements are in the best interests of Simmons and its shareholders and has unanimously approved and adopted the merger agreements. Simmons board of directors unanimously recommends that Simmons shareholders vote **FOR** the Community First merger proposal, **FOR** the Liberty merger proposal, **FOR** the Simmons director proposal, and **FOR** any other proposals presented at the Simmons special meeting. For the factors considered by Simmons board of directors in reaching its decision to approve and adopt the merger agreements, see The Community First Merger Simmons Reasons for the Community First Merger; Recommendation of Simmons Board of Directors and The Liberty Merger Simmons Reasons for the Liberty Merger; Recommendation of Simmons Board of Directors.

**Community First s Board of Directors Unanimously Recommends that Community First Shareholders Vote FOR the Community First Merger Proposal and any Other Proposal Presented at the Community First Special Meeting (page 64)**

Community First s board of directors has determined that the Community First merger, the Community First merger agreement and the transactions contemplated by the Community First merger agreement are in the best interests of Community First and its shareholders and has unanimously approved and adopted the Community First merger agreement. Community First s board of directors unanimously recommends that Community First shareholders vote **FOR** the Community First merger proposal and **FOR** any other proposal presented at the Community First special meeting. For the factors considered by Community First s board of directors in reaching its decision to approve and adopt the Community First merger agreement, see The Community First Merger Community First s Reasons for the Merger; Recommendation of Community First s Board of Directors.

**Liberty s Board of Directors Unanimously Recommends that Liberty Shareholders Vote FOR the Liberty Merger Proposal and any Other Proposal Presented at the Liberty Special Meeting (page 68)**

Liberty's board of directors has determined that the Liberty merger, the Liberty merger agreement and the transactions contemplated by the Liberty merger agreement are in the best interests of Liberty and its shareholders and has approved and adopted the Liberty merger agreement. Liberty's board of directors unanimously recommends that Liberty shareholders vote **FOR** the Liberty merger proposal and **FOR** any

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other proposal presented at the Liberty special meeting. For the factors considered by Liberty's board of directors in reaching its decision to approve and adopt the Liberty merger agreement, see [The Liberty Merger](#) Liberty's Reasons for the Merger; Recommendation of Liberty's Board of Directors.

**Opinion of Simmons' Financial Advisor (pages 99 and 133 and Annexes C and D)**

*Community First Merger.* In connection with the Community First merger, Sterne, Agee & Leach, Inc., Simmons' financial advisor, which we refer to as Sterne Agee, delivered to Simmons' board of directors a written opinion, dated May 6, 2014, as to the fairness to Simmons, from a financial point of view and as of the date of the opinion, of the Community First merger consideration provided for in the Community First merger. The full text of the written opinion, dated May 6, 2014, of Sterne Agee, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken, is attached as Annex C to this joint proxy statement/prospectus. **Sterne Agee's written opinion is addressed to the Simmons board of directors, is directed only to the Community First merger consideration in the Community First merger and does not constitute a recommendation to any Simmons shareholder as to how such shareholder should vote with respect to the Community First merger or any other matter.**

*Liberty Merger.* In connection with the Liberty merger, Sterne Agee, Simmons' financial advisor, delivered to Simmons' board of directors a written opinion, dated May 27, 2014, as to the fairness to Simmons, from a financial point of view and as of the date of the opinion, of the Liberty merger consideration provided for in the Liberty merger. The full text of the written opinion, dated May 27, 2014, of Sterne Agee, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken, is attached as Annex D to this joint proxy statement/prospectus. **Sterne Agee's written opinion is addressed to the Simmons board of directors, is directed only to the Liberty merger consideration in the Liberty merger and does not constitute a recommendation to any Simmons shareholder as to how such shareholder should vote with respect to the Liberty merger or any other matter.**

For further information, see [The Community First Merger Opinion of Simmons' Financial Advisor](#) and [The Liberty Merger Opinion of Simmons' Financial Advisor](#).

**Opinion of Community First's Financial Advisor (page 84 and Annex E)**

In connection with the Community First merger, Keefe, Bruyette & Woods, Inc., which acted as Community First's financial advisor, delivered to the Community First board of directors a written opinion, dated May 6, 2014, as to the fairness, from a financial point of view, of the Community First exchange ratio. The full text of KBW's written opinion is attached as Annex E to this joint proxy statement/prospectus. You should read the entire opinion for a discussion of, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken by KBW in rendering its opinion. **KBW's written opinion is addressed to the Community First board of directors, is directed only to the Community First exchange ratio in the Community First merger and does not constitute a recommendation to any Community First shareholder as to how such shareholder should vote with respect to the Community First merger or any other matter.**

For further information, see [The Community First Merger Opinion of Community First's Financial Advisor](#).



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### **Opinion of Liberty's Financial Advisor (page 120 and Annex F)**

In connection with the Liberty merger, KBW, which separately acted as Liberty's financial advisor, delivered to the Liberty board of directors a written opinion, dated May 27, 2014, as to the fairness, from a financial point of view, of the Liberty exchange ratio. The full text of KBW's written opinion is attached as Annex F to this joint proxy statement/prospectus. You should read the entire opinion for a discussion of, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken by KBW in rendering its opinion. **KBW's written opinion is addressed to the Liberty board of directors, is directed only to the Liberty exchange ratio in the Liberty merger and does not constitute a recommendation to any Liberty shareholder as to how such shareholder should vote with respect to the Liberty merger or any other matter.**

For further information, see "The Liberty Merger" Opinion of Liberty's Financial Advisor.

### **What the Holder of the Community First Series C Preferred Stock Will Receive (page 172)**

At the effective time of the Community First merger, the holder of the Community First Series C preferred stock will be entitled to receive shares of the Simmons Series A preferred stock.

### **What Holders of Community First Restricted Stock Will Receive (page 154)**

At the effective time of the Community First merger, each share of Community First restricted stock, that is not Community First double trigger restricted stock, issued and outstanding immediately prior to the effective time of the Community First merger will vest at the effective time of the Community First merger and will be entitled to be exchanged for the Community First merger consideration in the same manner as unrestricted shares of Community First common stock. Each share of Community First double trigger restricted stock will be exchanged for the Community First merger consideration but the shares of Simmons common stock received as Community First merger consideration shall not vest at the effective time of the Community First merger but instead shall vest or be forfeited pursuant to the terms of the Community First stock plan under which they were granted (taking into account that the consummation of the Community First merger and its related transactions will constitute the first trigger for the Community First double trigger restricted stock).

### **What Holders of Liberty Stock Options Will Receive (page 155)**

Each option to purchase shares of Liberty common stock outstanding immediately prior to the effective time of the Liberty merger will be converted into an option to purchase Simmons common stock on the same terms and conditions as were applicable prior to the Liberty merger, except that (1) the number of shares of Simmons common stock subject to the new option will be equal to the product of the number of shares of Liberty common stock subject to the existing option and the Liberty exchange ratio and (2) the exercise price per share of Simmons common stock under the new option will be equal to the exercise price per share of Liberty common stock of the existing option divided by the Liberty exchange ratio.

### **Lock-up Agreements (page 162)**

The execution of lock-up agreements by the Christopher R. Kirkland Revocable Trust and Joe Porter, shareholders of Community First, and Burchfield Limited Partnership, Gary E. Metzger and Garry L. or Gay Lynn Robinson, shareholders of Liberty, in substantially the form attached to the Community First merger agreement and Liberty merger agreement, respectively, are conditions to the closing of the Community First merger and Liberty merger, respectively. The Community First form of lock-up agreement requires that each of





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the Community First shareholders executing the agreement agree to not sell, transfer or otherwise dispose of 50,000 of the Simmons common stock held by such person for a period of two years from the effective time of the Community First merger, subject to certain exceptions. The Liberty form of lock-up agreement requires that each of the Liberty shareholders executing the agreement agree to not sell, transfer or otherwise dispose of 20,000 of the Simmons common stock held by such person for a period of two years from the effective time of the Liberty merger, subject to certain exceptions.

**Simmons Will Hold its Special Meeting on \_\_\_\_\_, 2014 (page 60)**

The special meeting of Simmons shareholders will be held on \_\_\_\_\_, 2014, at \_\_\_\_\_ local time, at \_\_\_\_\_. At the special meeting, Simmons shareholders will be asked to:

approve the Community First merger proposal;

approve the Liberty merger proposal;

approve the Simmons director proposal;

approve the Simmons/Community First adjournment proposal, if necessary or appropriate; and

approve the Simmons/Liberty adjournment proposal, if necessary or appropriate

Only holders of record of Simmons common stock at the close of business on \_\_\_\_\_, 2014, which we refer to as the Simmons record date, will be entitled to vote at the Simmons special meeting. Each share of Simmons common stock is entitled to one vote on each proposal to be considered at the Simmons special meeting. As of the Simmons record date, there were \_\_\_\_\_ Simmons shares of Simmons common stock entitled to vote at the Simmons special meeting. As of the Simmons record date, the directors and executive officers of Simmons and their affiliates beneficially owned and were entitled to vote approximately \_\_\_\_\_ Simmons shares of Simmons common stock representing approximately \_\_\_\_\_ % of the shares of Simmons common stock outstanding on that date.

To approve the Community First merger proposal, a majority of the shares of Simmons common stock outstanding and entitled to vote thereon must be voted in favor of such proposal. To approve the Liberty merger proposal, a majority of the shares of Simmons common stock outstanding and entitled to vote thereon must be voted in favor of such proposal. To approve the Simmons director proposal, a majority of the shares of Simmons common stock cast on the Simmons director proposal must be voted in favor of such proposal. To approve each of the Simmons/Community First adjournment proposal and the Simmons/Liberty adjournment proposal, a majority of the shares of Simmons common stock cast on each proposal must be voted in favor of such proposal. If you mark **ABSTAIN** on your proxy card, fail to either submit a proxy or vote by telephone or the internet or in person at the Simmons special meeting or fail to instruct your bank or broker how to vote with respect to the Community First merger proposal, it will have the same effect as a vote **AGAINST** the merger proposals. If you mark **ABSTAIN** on your proxy card, or fail to instruct your bank or broker how to vote, with respect to the Simmons director proposal, the Simmons/Community First

adjournment proposal or the Simmons/Liberty adjournment proposal, it will have no effect on such proposals.

**Community First Will Hold its Special Meeting on \_\_\_\_\_, 2014 (page 64)**

The special meeting of Community First shareholders will be held on \_\_\_\_\_, 2014, at \_\_\_\_\_ local time, at 100 Reelfoot Avenue, Union City, Tennessee 38261. At the Community First special meeting, Community First shareholders will be asked to:

approve the Community First merger proposal; and

approve the Community First adjournment proposal, if necessary or appropriate.

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Only holders of record of Community First common stock at the close of business on \_\_\_\_\_, 2014 will be entitled to vote at the Community First special meeting. Each share of Community First common stock is entitled to one vote on each proposal to be considered at the Community First special meeting. As of the record date, there were 363,918.017 shares of Community First common stock entitled to vote at the Community First special meeting. As of the Community First record date, the directors and executive officers of Community First and their affiliates beneficially owned and were entitled to vote approximately 130,901.241 shares of Community First common stock representing approximately 35.97% of the shares of Community First common stock outstanding on that date.

To approve the Community First merger proposal, a majority of the shares of Community First common stock outstanding and entitled to vote thereon must be voted in favor of such proposal. To approve the Community First adjournment proposal, a majority of the shares of Community First common stock represented at the special meeting must be voted in favor of the proposal. If you mark **ABSTAIN** on your proxy card, fail to submit a proxy or vote in person at the Community First special meeting or fail to instruct your bank or broker how to vote with respect to the Community First merger proposal, it will have the same effect as a vote **AGAINST** the proposal. If you mark **ABSTAIN** on your proxy card, or fail to instruct your bank or broker how to vote, with respect to the Community First adjournment proposal, it will have the same effect as a vote **AGAINST** the proposal. If, however, you are a street name holder and fail to submit a proxy card entirely or vote in person at the Community First special meeting, it will have no effect on such proposal.

In addition to the approval of the holders of Community First common stock, the United States Department of the Treasury, or the U.S. Treasury, as the sole holder of the Community First Series C preferred stock, must consent to the Community First merger and the exchange of the Community First Series C preferred stock for the Simmons Series A preferred stock.

**Liberty Will Hold its Special Meeting on \_\_\_\_\_, 2014 (page 68)**

The special meeting of Liberty shareholders will be held on \_\_\_\_\_, 2014, at \_\_\_\_\_ local time, at 5400 Highland Springs Boulevard, Springfield, Missouri 65809. At the Liberty special meeting, Liberty shareholders will be asked to:

approve the Liberty merger proposal; and

approve the Liberty adjournment proposal, if necessary or appropriate.

Only holders of record of Liberty common stock at the close of business on \_\_\_\_\_, 2014 will be entitled to vote at the Liberty special meeting. Each share of Liberty common stock is entitled to one vote on each proposal to be considered at the Liberty special meeting. As of the record date, there were \_\_\_\_\_ shares of Liberty common stock entitled to vote at the Liberty special meeting. As of the Liberty record date, the directors and executive officers of Liberty and their affiliates beneficially owned and were entitled to vote approximately \_\_\_\_\_ shares of Liberty common stock representing approximately \_\_\_\_\_% of the shares of Liberty common stock outstanding on that date.

To approve the Liberty merger proposal, two-thirds of the outstanding shares of Liberty common stock and entitled to vote thereon must be voted in favor of such proposal. To approve the Liberty adjournment proposal, a majority of the shares of Liberty common stock represented at the special meeting must be voted in favor of the proposal. If you mark **ABSTAIN** on your proxy card, fail to submit a proxy or vote in person at the Liberty special meeting or fail to instruct

your bank or broker how to vote with respect to the Liberty merger proposal, it will have the same effect as a vote AGAINST the proposal. If you mark ABSTAIN on your proxy card, or fail to instruct your bank or broker how to vote, with respect to the Liberty adjournment proposal, it will have the same effect as a vote AGAINST the proposal. If, however, you are a street name holder and fail to submit a proxy card entirely or vote in person at the Liberty special meeting, it will have no effect on such proposal.

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**The Mergers Will Be Tax-Free to Holders of Community First Common Stock and the Holders of Liberty Common Stock as to the Shares of Simmons Common Stock They Receive (page 168)**

The mergers are intended to qualify as a reorganization within the meaning of Section 368(a) of the Code and it is a condition to the respective obligations of Simmons and Community First to complete the Community First merger, and it is a condition to the respective obligations of Simmons and Liberty to complete the Liberty merger, that each of Simmons, Community First and Liberty receives a legal opinion to that effect. Accordingly, a Community First or Liberty shareholder generally will recognize gain, but not loss, in an amount equal to the lesser of (1) the amount of gain realized (i.e., the excess of the sum of the amount of cash and the fair market value of the Simmons common stock received pursuant to the mergers over that holder's adjusted tax basis in its shares of Community First common stock or Liberty common stock surrendered) and (2) the amount of cash received pursuant to the mergers. Further, a Community First shareholder and a Liberty shareholder generally will recognize gain or loss with respect to cash received instead of fractional shares of Simmons common stock that the Community First shareholder or Liberty shareholder would otherwise be entitled to receive.

**The U.S. federal income tax consequences described above may not apply to all holders of Community First common stock and Liberty common stock. Your tax consequences will depend on your individual situation. Accordingly, we strongly urge you to consult your independent tax advisor for a full understanding of the particular tax consequences of the merger to you. For further information, see United States Federal Income Tax Consequences of the Mergers.**

**Interests of Community First's Directors and Executive Officers in the Community First Merger (page 107)**

Community First shareholders should be aware that some of Community First's directors and executive officers have interests in the Community First merger and have arrangements that are different from, or in addition to, those of Community First shareholders generally. Community First's board of directors was aware of these interests and considered these interests, among other matters, when making its decision to adopt the Community First merger agreement, and in recommending that Community First shareholders vote in favor of approving the Community First merger agreement.

While there are no employment or other agreements being offered to employees or directors of Community First, two directors will be appointed to the Simmons board of directors, most of the officers and other employees of Community First expect to be retained after the Community First merger, and such employees will then participate in the employee benefit plans of Simmons and receive credit for prior service. Also, currently, certain officers of Community First have restricted stock which vests either upon a change in control and/or continued service for two years after a change in control. Upon completion of the Community First merger, 2,555 shares of Community First common stock will vest and another 3,635 (pre-conversion number) shares will vest if the holders continue to serve two years thereafter. Based on the Community First exchange ratio, the 2,555 shares of Community First common stock that will vest upon completion of the Community First merger, will be converted into 45,728 shares of Simmons common stock, and the 3,635 shares of Community First common stock that will vest upon both completion of the Community First merger and two years of service with Simmons following the Community First merger by the holders of such restricted stock, will be converted into 65,057 shares of Simmons common stock.

Finally, Simmons has agreed to maintain a policy of directors' and officers' liability insurance coverage for the benefit of Community First's directors and officers for six years following completion of the Community First merger as long as the premium to be paid on an annual basis is not more than 200% of the current annual premium paid by Community First for such insurance.

For a more complete description of these interests, see "The Community First Merger" Interests of Community First's Directors and Executive Officers in the Community First Merger.

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**Interests of Liberty's Directors and Executive Officers in the Liberty Merger (page 141)**

Liberty shareholders should be aware that some of Liberty's directors and executive officers have interests in the Liberty merger and have arrangements that are different from, or in addition to, those of Liberty shareholders generally. Liberty's board of directors was aware of these interests and considered these interests, among other matters, when making its decision to adopt the Liberty merger agreement, and in recommending that Liberty shareholders vote in favor of approving the Liberty merger agreement.

Pursuant to the existing employment agreements with Gary Metzger, as Chief Executive Officer of Liberty Bank, and Garry Robinson, as President and Chief Operating Officer of Liberty Bank, Mr. Metzger and Mr. Robinson will each be paid a shareholder value bonus 30 days following the Liberty merger if the consideration to be received by Liberty shareholders in the Liberty merger exceeds \$36.33 per share. The value of the Liberty merger consideration will be determined based on the average closing price for Simmons common stock for the 10 consecutive trading days ending on and including the date of the Liberty merger. As an illustration only, using the average closing sales price of Simmons common stock for the 10 consecutive trading days ending on September 25, 2014 (the last practicable trading day before the date of this joint proxy statement/prospectus) of \$40.08 as a substitute for the average closing price for Simmons common stock for the 10-day period prior to the date of the Liberty merger, Mr. Metzger would receive a bonus of \$258,750 and Mr. Robinson would receive a bonus of \$172,500 under their respective employment agreements. Because the market value of the Liberty merger consideration will fluctuate with the market price of Simmons common stock, the ultimate shareholder value bonus to be paid to Mr. Metzger and Mr. Robinson, if any, will not be known until the closing of the Liberty merger. In addition, the Liberty merger agreement provides that Simmons' board of directors will take all steps necessary to add one member to its board of directors selected by the Liberty board of directors. Also, most of the officers and other employees of Liberty expect to be retained after the Liberty merger, and such employees will then participate in the employee benefit plans of Simmons and receive credit for prior service. Finally, Simmons has agreed to maintain a policy of directors' and officers' liability insurance coverage for the benefit of Liberty's directors and officers for six years following completion of the Liberty merger as long as the premium to be paid on an annualized basis is not more than 300% of the current annual premium paid by Liberty for such insurance.

For a more complete description of these interests, see "The Liberty Merger - Interests of Liberty's Directors and Executive Officers in the Liberty Merger."

**Simmons Shareholders Who Do Not Vote in Favor of the Community First Merger Agreement or the Liberty Merger Agreement May Be Entitled To Assert Dissenters' Rights (page 146)**

Simmons shareholders who do not vote in favor of the approval of the Community First merger agreement or the Liberty merger agreement (including by failing to vote or marking "ABSTAIN" on their proxy card) and follow certain procedural steps will be entitled to dissenters' rights under Subchapter 13 of the ABCA, provided they take the steps required to perfect their rights thereunder. These procedural steps include, among others: (1) delivering to Simmons, before the shareholder vote is taken for the Community First merger or Liberty merger, respectively, at the Simmons special meeting, written notice of intent to demand payment for the shares of Simmons common stock if the Community First merger or Liberty merger are effected, (2) not voting her, his or its shares in favor of the Community First merger or Liberty merger, and (3) timely filing a payment demand after the Community First merger or Liberty merger is effected. For more information, see "The Mergers - Simmons Shareholders Dissenters' Rights in the Community First Merger and Liberty Merger."





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**Community First Shareholders Who Do Not Vote in Favor of the Community First Merger Agreement May Be Entitled To Assert Dissenters' Rights (page 110)**

Community First shareholders who do not vote in favor of the approval of the Community First merger agreement (including by failing to vote or marking ABSTAIN on their proxy card) and follow certain procedural steps will be entitled to dissenters' rights under Chapter 23 of the TBCA, provided they take the steps required to perfect their rights under Sections 48-23-101 to 48-23-302 of the TBCA. These procedural steps include, among others: (1) delivering to Community First, before the shareholder vote is taken for the Community First merger at the Community First special meeting, written notice of intent to demand payment for the shares of Community First common stock if the Community First merger is effected, (2) not voting her, his or its shares in favor of the Community First merger, and (3) timely filing a demand for payment as required by Chapter 23 of the TBCA after the Community First merger is effected. For more information, see The Community First Merger Dissenters' Rights in the Community First Merger.

**Liberty Shareholders Who Do Not Vote in Favor of the Liberty Merger Agreement May Be Entitled To Assert Dissenters' Rights (page 143)**

Liberty shareholders who do not vote in favor of the approval of the Liberty merger agreement (including by failing to vote or marking ABSTAIN on their proxy card) and follow certain procedural steps will be entitled to dissenters' rights under Section 351.455 of the GBCM, provided they take the steps required to perfect their rights thereunder. These procedural steps include, among others: (1) delivering to Liberty, prior to or at the special meeting of Liberty's shareholders, written objection to the Liberty merger, (2) not voting her, his or its shares in favor of the Liberty merger, and (3) timely filing a payment demand after the Liberty merger is effected. For more information, see The Liberty Merger Dissenters' Rights in the Liberty Merger.

**Conditions that Must Be Satisfied or Waived for the Mergers To Occur (page 162)**

*Community First Merger.* Currently, Simmons and Community First expect to complete the Community First merger in the fourth quarter of 2014. As more fully described in this joint proxy statement/prospectus and in the Community First merger agreement, the completion of the Community First merger depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include (1) approval of the Community First merger proposal by Community First's and Simmons shareholders, (2) authorization for listing on the NASDAQ Global Select Market of the shares of Simmons common stock to be issued in the Community First merger, (3) receipt of required regulatory approvals without materially adverse conditions or requirements, (4) effectiveness of the registration statement of which this joint proxy statement/prospectus is a part, (5) absence of any order, injunction, decree, law, rule, regulation, or other legal restraint preventing the completion of the Community First merger or making the completion of the Community First merger illegal, (6) subject to the materiality standards provided in the Community First merger agreement, the accuracy of the representations and warranties of Simmons and Community First, (7) performance in all material respects by each of Simmons and Community First of its obligations under the Community First merger agreement, (8) receipt by each of Simmons and Community First of an opinion from Simmons' counsel as to certain tax matters, (9) absence of litigation against Simmons or Community First by any governmental agency seeking to prevent consummation of the Community First merger, (10) completion of Phase I environmental audits of real property owned by Community First that reflect no material problems under environmental laws to Simmons' satisfaction, (11) execution of lock-up agreements by the Christopher R. Kirkland Revocable Trust and Joe Porter as shareholders of Community First, (12) receipt of all necessary consents and approvals for Simmons to assume the obligations of Community First for the trust preferred securities issued by certain financing trusts of Community First, (13) receipt of all necessary consents and approvals to allow Simmons to exchange Simmons Series A preferred stock for the outstanding shares of Community First Series C preferred stock, (14) receipt by each of Simmons and Community First of a fairness opinion from their respective financial advisors,

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(15) receipt by each of Simmons and Community First of a legal opinion from their respective counterpart s counsel.

Neither Simmons nor Community First can be certain when, or if, the conditions to the Community First merger will be satisfied or waived, or that the Community First merger will be completed.

*Liberty Merger.* Currently, Simmons and Liberty expect to complete the Liberty merger in the fourth quarter of 2014. As more fully described in this joint proxy statement/prospectus and in the Liberty merger agreement, the completion of the Liberty merger depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include (1) approval of the Liberty merger proposal by Liberty s shareholders and Simmons shareholders, (2) authorization for listing on the NASDAQ Global Select Market of the shares of Simmons common stock to be issued in the Liberty merger, (3) receipt of required regulatory approvals without materially adverse conditions or requirements, (4) effectiveness of the registration statement of which this joint proxy statement/prospectus is a part, (5) absence of any order, injunction, decree, law, rule, regulation, or other legal restraint preventing the completion of the merger or making the completion of the Liberty merger illegal, (6) subject to the materiality standards provided in the Liberty merger agreement, the accuracy of the representations and warranties of Simmons and Liberty, (7) performance in all material respects by each of Simmons and Liberty of its obligations under the Liberty merger agreement, (8) receipt by each of Simmons and Liberty of an opinion from Simmons counsel as to certain tax matters, (9) absence of litigation against Simmons or Liberty by any governmental agency seeking to prevent consummation of the Liberty merger, (10) determination of any Phase I environmental audits of real property owned by Liberty that reflect no material problems under environmental laws to Simmons satisfaction, (11) execution of lock-up agreements by Burchfield Limited Partnership, Gary E. Metzger and Garry L. or Gay Lynn Robinson as shareholders of Liberty, (12) receipt of all necessary consents and approvals for Simmons to assume the obligations of Liberty for the trust preferred securities issued by certain financing trusts of Liberty, and (13) receipt by each of Simmons and Liberty of a legal opinion from their respective counterpart s counsel.

Neither Simmons nor Liberty can be certain when, or if, the conditions to the Liberty merger will be satisfied or waived, or that the Liberty merger will be completed.

For more information, see The Merger Agreements Conditions to Consummate the Mergers.

**Termination of the Community First Merger Agreement (page 163)**

The Community First merger agreement can be terminated at any time prior to completion of the Community First merger in the following circumstances:

by mutual consent of Simmons and Community First, if authorized by the board of directors of each company;

by either Simmons or Community First if the Community First merger has not been completed on or before December 31, 2014, which we refer to as the termination date, unless the failure of the Community First merger to be completed by such date is due to the failure of the party seeking to terminate the Community First merger agreement to perform or observe its covenants and agreements under the Community First merger agreement; however, the termination date may be extended to not later than February 28, 2015, by either Simmons or Community First, if the Community First merger has not been consummated due to the failure to obtain required regulatory approvals or that the registration statement for which this joint proxy

statement/prospectus is a part is not effective;

by either Simmons or Community First if there is a material breach of any of the agreements or any of the representations or warranties set forth in the Community First merger agreement on the part of the other party and such material breach is not cured or not curable within 60 days following written notice to the party committing such breach;

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if any approval of the shareholders of Simmons or Community First required for completion of the Community First merger has not been obtained upon a vote taken at a duly held meeting of shareholders of either party or at any adjournment or postponement thereof;

by Community First if the average closing price of Simmons common stock declines below \$28.30 and underperforms an index of banking companies by more than 20% over a designated measurement period unless Simmons agrees to increase the Community First merger consideration in the form of a cash payment that results in the aggregate Community First merger consideration (including both shares of Simmons common stock and cash) being equal to the minimum merger consideration (which is an amount equal to the product of \$28.30 multiplied by the Community First exchange ratio);

by Community First if, prior to approval of the Community First merger proposal by the Community First shareholders, Community First's board of directors determines in good faith, after taking into account the advice of its counsel, that in light of a competing proposal or other circumstances, termination of the Community First merger agreement is required for Community First's board of directors to comply with their fiduciary duties to Community First shareholders, provided that in advance of, or concurrently with, such termination, Community First pays to Simmons a termination fee of \$10 million; and

by either Simmons or Community First, if counsel to Simmons notifies the parties that it will not be able to deliver to them the tax opinion that is required as a condition to consummation of the Community First merger.

For more information, see The Merger Agreements Termination of the Merger Agreements.

**Termination of the Liberty Merger Agreement (page 163)**

The Liberty merger agreement can be terminated at any time prior to completion of the Liberty merger in the following circumstances:

by mutual consent of Simmons and Liberty, if authorized by the board of directors of each company;

by either Simmons or Liberty if the Liberty merger has not been completed on or before December 31, 2014, which we refer to as the termination date, unless the failure of the Liberty merger to be completed by such date is due to the failure of the party seeking to terminate the Liberty merger agreement to perform or observe its covenants and agreements under the Liberty merger agreement; however, the termination date may be extended to not later than April 30, 2015, by either Simmons or Liberty, if the Liberty merger has not been consummated due to the failure to obtain required regulatory approvals or that the registration statement for which this joint proxy statement/prospectus is a part is not effective;

by either Simmons or Liberty if there is a material breach of any of the agreements or any of the representations or warranties set forth in the Liberty merger agreement on the part of the other party and such material breach is not cured or not curable within 45 days following written notice to the party

committing such breach;

if any approval of the shareholders of Simmons or Liberty required for completion of the Liberty merger has not been obtained upon a vote taken at a duly held meeting of shareholders of either party or at any adjournment or postponement thereof;

by Liberty if the average closing price of Simmons common stock declines below \$29.80 and underperforms an index of banking companies by more than 20% over a designated measurement period unless Simmons agrees to increase the Liberty merger consideration in the form of a cash payment that results in the aggregate Liberty merger consideration (including both shares of Simmons

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common stock and cash) being equal to the minimum merger consideration (which is an amount equal to the product of \$29.80 multiplied by the Liberty exchange ratio);

by Liberty if, prior to approval of the Liberty merger proposal by the Liberty shareholders, Liberty's board of directors determines in good faith, after taking into account the advice of its counsel, that in light of a competing proposal or other circumstances, termination of the Liberty merger agreement is required for Liberty's board of directors to comply with their fiduciary duties to Liberty shareholders, provided that in advance of or concurrently with such termination, Liberty pays to Simmons a termination fee of \$8 million; and

by either Simmons or Liberty, if counsel to Simmons notifies the parties that it will not be able to deliver to them the tax opinion that is required as a condition to consummation of the Liberty merger.

For more information, see The Merger Agreements Termination of the Merger Agreements.

### **Termination Fee for the Community First Merger (page 165)**

If the Community First merger agreement is terminated under certain circumstances, Community First may be required to pay to Simmons a termination fee equal to \$10 million. This termination fee could discourage other companies from seeking to acquire or merge with Community First.

### **Termination Fee for the Liberty Merger (page 165)**

If the Liberty merger agreement is terminated under certain circumstances, Liberty may be required to pay to Simmons a termination fee equal to \$8 million. This termination fee could discourage other companies from seeking to acquire or merge with Liberty.

### **Walkaway Counteroffers (page 164)**

Pursuant to each merger agreement, the boards of directors of Community First and Liberty will have the right to terminate their respective merger agreements if the average closing price of Simmons common stock for a trading period ending prior to the effective date of the applicable merger decreases below a certain price and decreases more than the average of closing prices for an index of banking stocks for the same trading period. If the board of directors of Community First or Liberty elects to terminate its respective merger agreement, then Simmons will have the right, which we refer to as the walkaway counteroffer, to increase the merger consideration to be paid to the Community First shareholders or Liberty shareholders, as applicable, by paying an amount of cash that will result in the Community First or Liberty shareholders receiving the minimum merger consideration under the applicable merger agreement.

*Community First Merger.* For the Community First merger, the Community First board of directors will have the right to terminate the Community First merger agreement if (1) the average closing price of Simmons common stock is less than \$28.30 and (2) the percentage change between \$35.37 (the average closing price of Simmons common stock for the 20 consecutive trading days ending on March 12, 2014) and the average closing price of Simmons common stock is not equal to at least 80% of the difference between the percentage change between \$38.43 (the average closing price of the PowerShares KBW Regional Banking Portfolio, or KBWR, for the 20 consecutive trading days ending on March 12, 2014) and the average closing price of KBWR. If the Community First board of directors elects to terminate the Community First merger agreement on this basis, then Simmons may elect to make its walkaway



counteroffer and pay as part of the Community First merger consideration, an aggregate cash payment that results in the aggregate Community First merger consideration (including both shares of Simmons common stock and cash) being equal to the product (which we refer to as the Community First minimum merger consideration) of (x) \$28.30 and (y) the Community First exchange ratio. Such aggregate amount of cash will be paid pro rata for each share of Community First common stock.

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*Liberty Merger.* For the Liberty merger, the Liberty board of directors will have the right to terminate the Liberty merger agreement if (1) the average closing price of Simmons common stock is less than \$29.80 and (2) the difference between the percentage change of (A) \$40.06 (the KBWR for the 20 consecutive trading days ending on March 31, 2014) and the average closing price of KBWR and (B) the percentage change of \$37.24 (the average closing price of Simmons common stock for the 20 consecutive trading days ending on March 31, 2014) and the average closing price of Simmons common stock, is greater than 20%. If the Liberty board of directors elects to terminate the Liberty merger agreement on this basis, then Simmons may elect to make its walkaway counteroffer and pay as part of the Liberty merger consideration, an aggregate cash payment that results in the aggregate Liberty merger consideration (including both shares of Simmons common stock and cash) being equal to the product (which we refer to as the Liberty minimum merger consideration) of (x) \$29.80 and (y) the Liberty exchange ratio. Such aggregate amount of cash will be paid pro rata for each share of Liberty common stock.

The average closing price of Simmons common stock will be equal to the average of the closing price per share of Simmons common stock on the NASDAQ Global Select Market for the 20 consecutive trading days ending on and including the 10th trading day before the effective date of the applicable merger. The average closing price of KBWR will be equal to the average closing price of the KBWR for the 20 consecutive trading days ending on and including the 10th trading day before the effective date of the applicable merger.

### **Regulatory Approvals Required for the Community First Merger (page 150)**

Subject to the terms of the Community First merger agreement, both Simmons and Community First have agreed to use their reasonable best efforts to obtain all Community First regulatory approvals necessary or advisable to complete the transactions contemplated by the Community First merger agreement. These approvals include approvals from, among others, the Board of Governors of the Federal Reserve System, or the Federal Reserve Board, and the Tennessee Department of Financial Institutions, or the TDFI. Simmons and Community First have filed applications and notifications to obtain the required regulatory approvals.

Although neither Simmons nor Community First knows of any reason why these regulatory approvals cannot be obtained in a timely manner, Simmons and Community First cannot be certain when or if they will be obtained. Accordingly, no assurance can be given that the necessary regulatory approvals will be received in time to effect the mergers in the fourth quarter of 2014.

### **Regulatory Approvals Required for the Liberty Merger (page 150)**

Subject to the terms of the Liberty merger agreement, both Simmons and Liberty have agreed to use their reasonable best efforts to obtain all regulatory approvals necessary or advisable to complete the transactions contemplated by the Liberty merger agreement. These approvals include approvals from, among others, the Federal Reserve Board and the Missouri Division of Finance, or the MDF. Simmons and Liberty have filed applications and notifications to obtain the required regulatory approvals.

Although neither Simmons nor Liberty knows of any reason why these regulatory approvals cannot be obtained in a timely manner, Simmons and Liberty cannot be certain when or if they will be obtained. Accordingly, no assurance can be given that the necessary regulatory approvals will be received in time to effect the mergers in the fourth quarter of 2014.

### **The Rights of Community First and Liberty Shareholders Will Change as a Result of the Mergers (pages 176 and 189)**

The rights of Community First and Liberty shareholders will change as a result of the mergers due to differences in the governing documents and states of incorporation for Simmons, Community First and Liberty. The rights of Community First shareholders are governed by Tennessee law and by Community First's articles of incorporation and bylaws, each as amended to date, and the rights of Liberty shareholders are governed by Missouri law and by Liberty's articles of incorporation and bylaws, each as amended to date. Upon the

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completion of the mergers, Community First and Liberty shareholders will become shareholders of Simmons, as the continuing legal entity in the mergers, and the rights of Community First and Liberty shareholders will therefore be governed by Arkansas law and Simmons' articles of incorporation and bylaws.

See "Comparison of Shareholders' Rights of Simmons and Community First" and "Comparison of Shareholders' Rights of Simmons and Liberty" for a description of the material differences in shareholders' rights between Simmons and Community First and Simmons and Liberty.

**Risk Factors (page 50)**

You should consider all the information contained in or incorporated by reference into this joint proxy statement/prospectus in deciding how to vote for the proposals presented in the joint proxy statement/prospectus. In particular, you should consider the factors described under "Risk Factors."

**Table of Contents****SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF SIMMONS**

The following table sets forth highlights from Simmons' consolidated financial data as of and for the six months ended June 30, 2014 and 2013 and as of and for each of the five years ended December 31, 2013. Results from past periods are not necessarily indicative of results that may be expected for any future period. The results of operations for the six months ended June 30, 2014 and 2013 are not necessarily indicative of the results of operations for the full year or any other interim period. Simmons' management prepared the unaudited information on the same basis as it prepared Simmons' audited consolidated financial statements. In the opinion of Simmons' management, this information reflects all adjustments necessary for a fair presentation of this data for those dates. You should read this information in conjunction with Simmons' consolidated financial statements and related notes included in Simmons' Annual Report on Form 10-K for the year ended December 31, 2013 and its Quarterly Report on Form 10-Q for the quarter ended June 30, 2014, each of which is incorporated by reference in this joint proxy statement/prospectus and from which this information is derived. See [Where You Can Find More Information](#).

Dollars and shares in thousands, except (share data)	As of or for the Six Months Ended June 30,		Years Ended December 31,				
	2014 (Unaudited)	2013	2013	2012	2011	2010	2009
<b>Income statement data:</b>							
Interest income	\$ 81,972	\$ 59,657	\$ 130,850	\$ 113,517	\$ 108,660	\$ 101,949	\$ 97,700
Provision for loan losses	2,510	1,953	4,118	4,140	11,676	14,129	10,300
Interest income after provision for loan losses	79,462	57,704	126,732	109,377	96,984	87,820	87,400
Non-interest income	24,577	22,586	40,616	48,371	53,465	77,874	52,700
Non-interest expense	84,382	62,231	134,812	117,733	114,650	111,263	104,700
Income before taxes	19,657	18,059	32,536	40,015	35,799	54,431	35,400
Provision for income taxes	5,396	5,546	9,305	12,331	10,425	17,314	10,100
Income	\$ 14,261	\$ 12,513	\$ 23,231	\$ 27,684	\$ 25,374	\$ 37,117	\$ 25,200
<b>Share data:</b>							
Earnings per share	\$ 0.88	\$ 0.76	\$ 1.42	\$ 1.64	\$ 1.47	\$ 2.16	\$ 1.70
Adjusted earnings per share	0.87	0.76	1.42	1.64	1.47	2.15	1.70
Adjusted core earnings (non-GAAP) <sup>(1)</sup>	1.02	0.76	1.69	1.59	1.45	1.51	1.70
Book value	25.36	24.67	24.89	24.55	23.70	23.01	21.70
Adjusted book value (non-GAAP) <sup>(2)</sup>	19.69	20.74	19.10	20.66	20.09	19.36	18.00
Dividends	0.44	0.42	0.84	0.80	0.76	0.76	0.70
Weighted average common shares outstanding	16,294	16,465	16,339	16,909	17,309	17,204	14,300
Adjusted weighted average common shares outstanding	16,337	16,469	16,352	16,911	17,318	17,265	14,400

**Balance sheet data at period end:**

Assets	\$ 4,325,841	\$ 3,421,769	\$ 4,383,100	\$ 3,527,489	\$ 3,320,129	\$ 3,316,432	\$ 3,093,331
Investment securities	1,070,299	732,995	957,965	687,483	697,656	613,662	646,900
Loans	2,389,333	1,877,631	2,404,935	1,922,119	1,737,844	1,915,064	1,874,900
Allowance for loan losses	27,530	27,398	27,442	27,882	30,108	26,416	25,000
Goodwill and other intangible assets	92,623	64,092	93,878	64,365	62,184	63,068	62,300
Non-interest bearing deposits	838,543	565,433	718,438	576,655	532,259	428,750	363,100
Deposits	3,641,725	2,813,119	3,697,567	2,874,163	2,650,397	2,608,769	2,432,100
Long-term debt	115,602	77,659	117,090	89,441	89,898	133,394	128,800
Subordinated debt and trust preferred	20,620	20,620	20,620	20,620	30,930	30,930	30,900
Stockholders' equity	414,135	401,850	403,832	406,062	407,911	397,371	371,200
Eligible stockholders' equity (non-GAAP) <sup>(2)</sup>	321,512	337,758	309,954	341,697	345,727	334,303	308,800

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(Dollars and shares in thousands, except per share data)	As of or for the Six Months Ended June 30,		Years Ended December 31,				
	2014 (Unaudited)	2013	2013	2012	2011	2010	2009
<b>Capital ratios at period end:</b>							
Stockholders' equity to total assets	9.57%	11.74%	9.21%	11.51%	12.29%	11.98%	12.00%
Tangible common equity to tangible assets (non-GAAP) <sup>(3)</sup>	7.59	10.06	7.23	9.87	10.61	10.28	10.19
Tier 1 leverage ratio	8.41	10.95	9.22	10.81	11.86	11.33	11.64
Tier 1 risk-based ratio	13.63	18.99	13.02	19.08	21.58	20.05	17.91
Total risk-based capital ratio	14.75	20.24	14.10	20.34	22.83	21.30	19.17
Dividend payout	50.57	55.26	59.15	48.78	51.70	35.35	43.68
<b>Annualized performance ratios:</b>							
Return on average assets	0.66%	0.72%	0.64%	0.83%	0.77%	1.19%	0.85%
Return on average equity	6.99	6.18	5.33	6.77	6.25	9.69	8.26
Return on average tangible equity (non-GAAP) <sup>(2)(4)</sup>	9.38	7.43	6.36	8.05	7.54	11.71	10.61
Net interest margin <sup>(5)</sup>	4.44	3.98	4.21	3.93	3.85	3.78	3.78
Efficiency ratio <sup>(6)</sup>	70.57	73.04	71.28	70.17	67.86	65.28	65.69
<b>Balance sheet ratios:<sup>(7)</sup></b>							
Nonperforming assets as a percentage of period-end assets	1.49%	1.17%	1.69%	1.29%	1.18%	1.12%	1.12%
Nonperforming loans as a percentage of period-end loans	0.60	0.57	0.53	0.74	1.02	0.83	1.35
Nonperforming assets as a percentage of period-end loans plus OREO	3.36	2.37	4.10	2.74	2.44	2.18	1.83
Allowance/to nonperforming loans	245.08	292.00	297.89	231.62	186.14	190.17	98.81
Allowance for loan losses as a percentage of period-end loans	1.47	1.66	1.57	1.71	1.91	1.57	1.33
Net charge-offs (recoveries) as a percentage of average loans	0.28	0.31	0.27	0.40	0.49	0.71	0.58

(1) Diluted core earnings per share (net income excluding nonrecurring items divided by average diluted common shares outstanding) is a non-GAAP measure. Please refer to the reconciliations of this measure contained in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 and our Annual Report on Form 10-K for the year ended December 31, 2013 under the heading Management's Discussion and Analysis of Financial Condition and Results of Operations Table 13: Reconciliation of Core Earnings (non-GAAP) and Table 21: Reconciliation of Core Earnings (non-GAAP), respectively, which are incorporated herein by reference.

(2) Because of Simmons' significant level of intangible assets, total goodwill and core deposit premiums, management of Simmons believes a useful calculation for investors in their analysis of Simmons is tangible book value per

share (non-GAAP). This non-GAAP calculation eliminates the effect of goodwill and acquisition related intangible assets and is calculated by subtracting goodwill and intangible assets from total stockholders equity, and dividing the resulting number by the common stock outstanding at period end. The following table reflects the reconciliation of this non-GAAP measure to the GAAP presentation of book value for the periods presented above:

(Dollars and shares in thousands, except per share data)	As of or for the Six Months Ended June 30,		Years Ended December 31,				
	2014 (Unaudited)	2013	2013	2012	2011	2010	2009
Stockholders equity	\$ 414,135	\$ 401,850	\$ 403,832	\$ 406,062	\$ 407,911	\$ 397,371	\$ 371,247
Less: Intangible assets							
Goodwill	78,529	60,605	78,906	60,605	60,605	60,605	60,605
Other intangibles	14,094	3,487	14,972	3,760	1,579	2,463	1,769
Tangible stockholders equity (non-GAAP)	\$ 321,512	\$ 337,758	\$ 309,954	\$ 341,697	\$ 345,727	\$ 334,303	\$ 308,873
Book value per share	\$ 25.36	\$ 24.67	\$ 24.89	\$ 24.55	\$ 23.70	\$ 23.01	\$ 21.72
Tangible book value per share (non-GAAP)	19.69	20.74	19.10	20.66	20.09	19.36	18.07
Shares outstanding	16,331	16,289	16,226	16,543	17,212	17,272	17,094



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- (3) Tangible common equity to tangible assets ratio is tangible stockholders' equity (non-GAAP) divided by total assets less goodwill and other intangible assets as and for the periods ended presented above.
- (4) Return on average tangible equity is a non-GAAP measure that removes the effect of goodwill and intangible assets, as well as the amortization of intangibles, from the return on average equity. This non-GAAP measure is calculated as net income, adjusted for the tax-effected effect of intangibles, divided by average tangible equity.
- (5) Fully taxable equivalent (assuming an income tax rate of 39.225%).
- (6) The efficiency ratio is total non-interest expense less foreclosure expense and amortization of intangibles, divided by the sum of net interest income on a fully taxable equivalent basis plus total non-interest income less security gains, net of tax. For the six months ended June 30, 2014, this calculation excludes a \$1.0 million gain on sale of merchant services and a \$2.3 million gain on sale of previously closed branches from non-interest income. It also excludes merger related costs of \$2.6 million, branch right sizing expense of \$4.2 million and charter consolidation costs of \$0.4 million from non-interest expense. For the six months ended June 30, 2013, this calculation excludes income from the reversal of previously accrued merger related costs of \$0.2 million from non-interest expense. For the year ended December 31, 2013, this calculation excludes merger related costs of \$6.4 million from non-interest expense. For the year ended December 31, 2012, this calculation excludes the gain on FDIC-assisted transactions of \$3.4 million from total non-interest income and excludes merger related costs of \$1.9 million from non-interest expense. For the year ended December 31, 2011, this calculation excludes the \$1.1 million gain on sale of MasterCard stock. For the year ended December 31, 2010, this calculation excludes the gain on FDIC-assisted transactions of \$21.3 million from total non-interest income and excludes merger related costs of \$2.6 million from non-interest expense. For the year ended December 31, 2009, this calculation excludes the FDIC special assessment of \$1.4 million from total non-interest expense.
- (7) Excludes all loans acquired and excludes foreclosed assets acquired, covered by FDIC loss share agreements, except for their inclusion in total assets.
- Simmons consolidated ratios of earnings to fixed charges for the six months ended June 30, 2014 and 2013 and for each of the five years ended December 31, 2013 is attached as an exhibit to its Quarterly Report on Form 10-Q for the quarter ended June 30, 2014, which is incorporated by reference into this joint proxy statement/prospectus. Simmons had no outstanding shares of preferred stock with required dividend payments for the periods so presented. Accordingly, the ratio of earnings to combined fixed charges and preferred stock dividends is the same as the ratio of earnings to fixed charges.

**Table of Contents****SELECTED CONSOLIDATED FINANCIAL DATA OF COMMUNITY FIRST**

The following table sets forth highlights from Community First's consolidated financial data as of and for the six months ended June 30, 2014 and 2013 and as of and for each of the five years ended December 31, 2013. Results from past periods are not necessarily indicative of results that may be expected for any future period. The results of operations for the six months ended June 30, 2014 and 2013 are not necessarily indicative of the results of operations for full year or any other interim period. Community First management prepared the unaudited information on the same basis as it prepared Community First's audited consolidated financial statements. In the opinion of Community First management, this information reflects all adjustments necessary for a fair presentation of this data for those dates. You should read this information in conjunction with Community First's consolidated financial statements and related notes, from which this information is derived. See Annex J to this joint proxy/statement prospectus.

(Dollars and shares in thousands, except share and per share data)	As of or for the Six Months Ended June 30,		Years Ended December 31,				
	2014 (Unaudited)	2013	2013	2012	2011	2010	2009
<b>Income statement data:</b>							
Net interest income	\$ 33,261	\$ 28,963	\$ 60,668	\$ 55,063	\$ 54,220	\$ 50,546	\$ 47,666
Provision for loan losses	572	462	977	1,545	7,073	9,081	30,149
Net interest income after provision for loan losses	32,689	28,501	59,691	53,518	47,147	41,465	17,517
Non-interest income	11,836	11,547	22,281	21,194	16,982	14,414	14,709
Non-interest expense	26,849	26,882	54,921	51,905	46,099	45,601	48,329
Income before income taxes	17,676	13,166	27,051	22,807	18,030	10,278	(16,103)
Income tax expense	5,914	4,248	8,639	4,979	5,129	2,367	(6,787)
Net income	11,762	8,918	18,412	17,828	12,901	7,911	(9,316)
Preferred stock dividend	154	771	1,542	1,534	1,943	1,275	988
Net income available to common shareholders	\$ 11,608	\$ 8,147	\$ 16,870	\$ 16,294	\$ 10,958	\$ 6,636	\$ (10,304)
<b>Per share data:</b>							
Basic earnings	\$ 31.90	\$ 22.41	\$ 46.41	\$ 44.79	\$ 30.01	\$ 18.13	\$ (42.11)
Diluted earnings	31.74	22.34	46.23	44.65	29.90	18.04	(41.97)
Book value per common share	408.17	353.92	352.14	367.87	324.15	277.54	263.91
Dividends per common share			6.00	6.00	3.00		
Preferred shares outstanding	30,852	30,852	30,852	30,852	30,852	20,000	20,000
Basic average common shares outstanding	363,852	363,529	363,528	363,788	365,114	366,041	244,712
	365,746	364,735	364,943	364,950	366,510	367,910	245,533

Diluted average common shares  
outstanding

**Balance sheet data at period end**

Assets	\$ 1,949,197	\$ 1,817,474	\$ 1,923,591	\$ 1,748,753	\$ 1,654,460	\$ 1,482,509	\$ 1,410,107
Investment securities	673,120	655,356	671,851	632,734	539,420	379,669	277,818
Total loans	1,143,590	1,004,513	1,101,318	971,431	927,015	973,029	991,831
Allowance for loan losses	15,865	15,774	16,064	15,760	18,954	18,026	21,596
Non-interest bearing deposits	172,845	152,257	174,862	154,121	121,968	75,866	66,856
Deposits	1,552,172	1,505,515	1,552,588	1,452,152	1,390,570	1,272,706	1,181,524
FHLB advances	158,370	81,311	144,779	70,104	66,506	41,376	55,319
Subordinated debt	27,100	27,100	27,100	27,100	27,100	27,100	27,100
Preferred stock	30,852	30,852	30,852	30,852	30,852	20,322	20,137
Stockholders equity	179,392	159,511	158,866	164,525	148,714	122,014	116,447

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Dollars and shares in thousands, except share and per share data)	As of or for the Six Months Ended June 30,		Years Ended December 31,				2009
	2014 (Unaudited)	2013	2013	2012	2011	2010	
<b>Capital ratios at period end:</b>							
Bankholders' equity to total assets	9.20%	8.78%	8.26%	9.41%	8.99%	8.23%	8.26%
Debt to capital leverage ratio	10.67	10.40	10.21	10.23	10.11	9.60	9.39
Debt to capital risk-based ratio	16.77	16.73	16.19	16.68	16.34	13.77	13.00
Capital risk-based capital ratio	18.02	17.98	17.44	17.94	17.60	15.03	14.27
Dividend payout			12.92	13.39	10.00		
<b>Annualized performance ratios:</b>							
Return on average assets <sup>(1)</sup>	1.22%	0.93%	0.93%	0.95%	0.70%	0.45%	(0.71)
Return on average equity <sup>(1)</sup>	13.84	10.14	11.62	11.67	9.01	5.98	(9.92)
Net interest margin <sup>(2)</sup>	3.80	3.62	3.68	3.55	3.80	3.83	3.83
<b>Balance sheet ratios:</b>							
Nonperforming assets as a percentage of period-end assets	0.55%	0.84%	0.65%	0.89%	1.08%	1.70%	2.37%
Nonperforming loans as a percentage of period-end loans	0.59	0.73	0.59	0.82	0.52	1.23	2.59
Nonperforming assets as a percentage of period-end loans							
Net OREO	0.94	1.51	1.14	1.60	1.91	2.56	3.35
Provision to nonperforming loans	236.79	213.83	249.05	197.54	396.44	150.96	84.03
Provision for loan losses as a percentage of period-end loans	1.39	1.57	1.46	1.62	2.04	1.85	2.18
Charge-offs as a percentage of average loans	0.14	0.09	0.07	0.51	0.64	1.29	2.27

(1) Return on average assets and return on average equity is calculated using net income available to common shareholders.

(2) Fully taxable equivalent (assuming an income tax rate of 39%).

**Table of Contents****SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF LIBERTY**

The following table sets forth highlights from Liberty's consolidated financial data as of and for the six months ended June 30, 2014 and 2013 and as of and for each of the five years ended December 31, 2013. Results from past periods are not necessarily indicative of results that may be expected for any future period. Liberty management prepared the unaudited information on the same basis as it prepared Liberty's audited consolidated financial statements. In the opinion of Liberty management, this information reflects all adjustments necessary for a fair presentation of this data for those dates. You should read this information in conjunction with Liberty's consolidated financial statements and related notes for the year ended December 31, 2013 and its interim consolidated financial statements and related notes, from which this information is derived. See Annex K to this joint proxy statement/prospectus.

Dollars and shares in thousands, except shares and per share data)	As of or for the Six Months Ended June 30,		Years Ended December 31,				
	2014 (Unaudited)	2013	2013	2012	2011	2010	2009
<b>Income statement data:</b>							
Net interest income	\$ 21,689	\$ 22,255	\$ 44,253	\$ 45,087	\$ 43,749	\$ 37,565	\$ 29,056
Provision for loan losses	202	1,067	2,196	7,766	7,190	6,030	5,299
Net interest income after provision for loan losses	21,486	21,187	42,057	37,321	36,559	31,535	23,757
Non-interest income	6,878	7,583	14,107	13,742	12,498	14,005	11,147
Non-interest expense	15,862	17,359	32,944	29,636	28,193	26,363	23,528
Income before taxes	12,502	11,411	23,220	21,427	20,864	19,177	11,376
Provision for income taxes	3,968	3,907	8,019	7,320	7,068	6,703	3,747
Net income	8,534	7,504	15,201	14,107	13,796	12,474	7,629
Preferred stock dividends and discount accretion				1,140	1,858	1,413	1,249
Net income available to common shareholders	\$ 8,534	\$ 7,504	\$ 15,201	\$ 12,967	\$ 11,938	\$ 11,061	\$ 6,380
<b>Per share data:</b>							
Basic earnings	\$ 1.66	\$ 1.47	\$ 2.98	\$ 2.76	\$ 2.57	\$ 2.40	\$ 1.39
Diluted earnings	1.65	1.47	2.97	2.75	2.55	2.37	1.39
Book value per common share	20.15	17.83	18.98	17.03	15.02	12.97	11.13
Dividends	0.66	0.47	0.81	0.81	0.60	0.60	0.60
Basic average common shares outstanding	5,141	5,091	5,100	4,707	4,637	4,612	4,586
Diluted average common shares outstanding	5,164	5,107	5,114	4,708	4,681	4,662	4,605

**Balance sheet data at period end:**

Assets	\$ 1,058,974	\$ 1,060,756	\$ 1,072,696	\$ 1,064,618	\$ 1,093,894	\$ 974,049	\$ 950,723
Investment securities	88,492	62,780	97,021	49,295	8,938	505	2,916
Total loans	802,472	829,632	803,794	862,186	889,472	850,653	838,533
Allowance for loan losses	11,173	12,016	11,677	11,914	11,954	11,209	10,298
Goodwill and other intangible assets	3,896	4,097	3,996	4,198	3,921	3,172	2,863
Non-interest bearing deposits	142,923	133,634	127,436	138,685	106,055	91,383	88,774
Deposits	881,192	896,082	902,639	920,761	919,032	796,132	754,633
Other borrowed funds	46,207	46,325	46,266	31,384	57,503	70,438	97,500
Subordinated debt	20,620	20,620	20,620	20,620	20,620	20,620	20,620
Stockholders' equity	104,014	91,042	97,313	86,486	92,678	82,344	73,197

**Table of Contents****Selected Consolidated Historical Financial Data of Liberty (Continued)**

(Dollars and shares in thousands, except shares and per share data)	As of or for the Six Months Ended June 30,		Years Ended December 31,				
	2014 (Unaudited)	2013	2013	2012	2011	2010	2009
<b>Capital ratios at period end:</b>							
Stockholders' equity to total assets	9.82%	8.58%	9.07%	8.12%	8.47%	8.45%	7.70%
Tier 1 leverage ratio	11.52	10.25	10.74	9.88	9.89	10.36	9.59
Tier 1 risk-based ratio	17.22	15.23	16.35	13.90	14.23	13.53	12.20
Total risk-based capital ratio	18.48	16.49	17.61	15.16	15.48	14.78	13.45
Dividend payout	39.76	31.97	27.18	29.35	23.35	25.00	43.17
<b>Annualized performance ratios:</b>							
Return on average assets	1.62%	1.42%	1.43%	1.34%	1.31%	1.30%	0.82%
Return on average equity	16.95	16.82	16.57	14.62	15.75	16.11	11.28
Net interest margin <sup>(1)</sup>	4.53	4.60	4.56	4.66	4.53	4.31	3.46
<b>Balance sheet ratios:</b>							
Nonperforming assets as a percentage of period-end assets	0.81%	0.87%	0.71%	0.84%	1.36%	0.76%	0.51%
Nonperforming loans as a percentage of period-end loans	0.84	0.83	0.75	0.81	0.78	0.46	0.22
Nonperforming assets as a percentage of period-end loans and OREO	1.06	1.10	0.95	1.01	1.64	0.74	0.57
Allowance to nonperforming loans	164.96	174.65	192.85	170.83	173.22	285.73	549.81
Allowance for loan losses as a percentage of period-end loans	1.39	1.45	1.45	1.38	1.34	1.32	1.23
Net charge-offs (recoveries) as a percentage of average loans	0.18	0.23	0.30	0.90	0.73	0.61	0.62

(1) Fully taxable equivalent (assuming an income tax rate of 35%).

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**UNAUDITED PRO FORMA COMBINED CONDENSED CONSOLIDATED**

**FINANCIAL STATEMENTS**

The following unaudited pro forma combined condensed consolidated financial statements and explanatory notes show the impact on the historical financial positions and results of operations of Simmons, Community First and Liberty and have been prepared to illustrate the effects of the Community First merger and Liberty merger under the acquisition method of accounting with Simmons treated as the acquirer. The following unaudited pro forma combined condensed consolidated financial statements have been prepared using the acquisition method of accounting, giving effect to our completed acquisitions of Delta Trust & Banking Corporation, or Delta Trust, which closed on August 31, 2014, and Metropolitan National Bank, or Metropolitan, which closed on November 25, 2013, and our announced acquisitions of Community First and Liberty. The unaudited pro forma combined condensed consolidated balance sheets combine the historical financial information of Simmons and Delta Trust, Community First and Liberty as of June 30, 2014, and assume that the acquisitions were completed on that date. This balance sheet includes Metropolitan in our historical information, as the Metropolitan acquisition closed on November 25, 2013. The unaudited pro forma combined condensed consolidated statements of income for the six-month period ended June 30, 2014 and the 12-month period ended December 31, 2013 give effect to the acquisitions as if the transactions had been completed on January 1, 2013. As the Metropolitan acquisition was completed on November 25, 2013, the full results of its operations are included in Simmons' results for the six months ended June 30, 2014. For the full-year ended December 31, 2013, the historical results of Metropolitan's operations for the approximately 11-month period ended November 25, 2013 have been shown separately, while the results subsequent to acquisition are included in Simmons' historical results.

The unaudited pro forma combined condensed consolidated financial statements are presented for illustrative purposes only and does not indicate the financial results of the combined company had the companies actually been combined on the dates described above, nor is it necessarily indicative of the results of operations in future periods or the future financial position of the combined entities. The unaudited pro forma combined condensed consolidated financial statements also do not consider any potential impacts of current market conditions on revenues, expense efficiencies, asset dispositions and share repurchases, among other factors.



**Table of Contents****Unaudited Pro Forma Combined Condensed****Consolidated Balance Sheets****As of June 30, 2014**

<b>(Dollars in thousands, except per share data)</b>	Simmons Historical	Delta Trust Historical	Acquisition Delta Trust Pro Forma Acquisition Adjustments	Pro Forma Simmons and Delta Trust Combined
<b>ASSETS</b>				
Cash and non-interest bearing balances due from banks	\$ 44,805	\$ 9,740	\$ (6,995) <sup>(A),(B)</sup>	\$ 47,550
Interest-bearing balances due from banks	377,855	8,667		386,522
Cash and cash equivalents	422,660	18,407	(6,995)	434,072
Investment securities - held-to-maturity	799,963	15,236		815,199
Investment securities - available-for-sale	270,336	49,300		319,636
Mortgage loans held for sale	20,409			20,409
Assets held in trading accounts	6,881			6,881
<b>Loans:</b>				
Loans	2,389,333	324,883	(13,800) <sup>(C)</sup>	2,700,416
Allowance for loan losses	(27,530)	(5,998)	5,998 <sup>(D)</sup>	(27,530)
Net loans	2,361,803	318,885	(7,802)	2,672,886
FDIC indemnification asset	30,508			30,508
Premises and equipment (\$14,145 held for sale)	127,686	4,508	(500) <sup>(E)</sup>	131,694
Foreclosed assets	70,293	3,247	(760) <sup>(F)</sup>	72,780
Interest receivable	14,254	1,414		15,668
Bank owned life insurance	61,115	7,493		68,608
Goodwill	78,529	822	30,129 <sup>(G)</sup>	109,480
Other intangible assets	14,094	143	4,835 <sup>(H)</sup>	19,072
Other assets	47,310	2,726	2,308 <sup>(B),(I)</sup>	52,344
<b>Total assets</b>	<b>\$ 4,325,841</b>	<b>\$ 422,181</b>	<b>\$ 21,215</b>	<b>\$ 4,769,237</b>
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>				
<b>Deposits:</b>				
Non-interest bearing transaction accounts	\$ 838,543	\$ 107,016	\$	\$ 945,559
Interest bearing transaction accounts and savings deposits	1,784,040	148,905		1,932,945

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Time deposits	1,019,142	108,410		1,127,552
<b>Total deposits</b>	<b>3,641,725</b>	<b>364,331</b>		<b>4,006,056</b>
Federal funds purchased and securities sold under agreements to repurchase	98,226			98,226
Other borrowings	115,602	11,113	200 <sup>(J)</sup>	126,915
Subordinated debentures	20,620			20,620
Accrued interest and other liabilities	35,533	2,704		38,237
<b>Total liabilities</b>	<b>3,911,706</b>	<b>378,148</b>	<b>200</b>	<b>4,290,054</b>
Stockholders equity	414,135	44,033	21,015 <sup>(K)</sup>	479,183
<b>Total liabilities and stockholders equity</b>	<b>\$ 4,325,841</b>	<b>\$ 422,181</b>	<b>\$ 21,215</b>	<b>\$ 4,769,237</b>
<b>Common shares outstanding</b>	<b>16,331,341</b>			<b>17,960,765</b>
Common equity per common share	\$ 25.36			\$ 26.68

The accompanying notes are an integral part of these pro forma combined condensed consolidated financial statements.

**Table of Contents****Unaudited Pro Forma Combined Condensed****Consolidated Balance Sheets****As of June 30, 2014**

<b>(Dollars in thousands, except per share data)</b>	Acquisitions				Pro Forma Combined
	Pro Forma Simmons and Delta Trust Combined	Community First Historical	Liberty Historical	Pro Forma Acquisition Adjustments	
<b>ASSETS</b>					
Cash and non-interest bearing balances due from banks	\$ 47,550	\$ 14,410	\$ 22,429	\$ (10,308) <sup>(1)</sup>	\$ 74,081
Interest-bearing balances due from banks	386,522	23,142	83,140		492,804
Cash and cash equivalents	434,072	37,552	105,569	(10,308)	566,885
Investment securities - held-to-maturity	815,199	200			815,399
Investment securities - available-for-sale	319,636	680,410	91,618		1,091,664
Mortgage loans held for sale	20,409	9,110	4,935		34,454
Assets held in trading accounts	6,881				6,881
<b>Loans:</b>					
Loans	2,700,416	1,143,590	797,537	(43,980) <sup>(2)</sup>	4,597,563
Allowance for loan losses	(27,530)	(15,865)	(11,173)	27,038 <sup>(3)</sup>	(27,530)
Net loans	2,672,886	1,127,725	786,364	(16,942)	4,570,033
FDIC indemnification asset	30,508				30,508
Premises and equipment (\$14,145 held for sale)	131,694	44,308	35,283	(3,250) <sup>(4)</sup>	208,035
Foreclosed assets	72,780	4,045	1,765	(250) <sup>(5)</sup>	78,340
Interest receivable	15,668	6,515	3,718		25,901
Bank owned life insurance	68,608	21,762	16,637		107,007
Goodwill	109,480	2,293	3,063	208,085 <sup>(6)</sup>	322,921
Other intangible assets	19,072	819	833	31,753 <sup>(7)</sup>	52,477
Other assets	52,344	14,458	9,189	1,470 <sup>(1),(8)</sup>	77,461
<b>Total assets</b>	<b>\$ 4,769,237</b>	<b>\$ 1,949,197</b>	<b>\$ 1,058,974</b>	<b>\$ 210,558</b>	<b>\$ 7,987,966</b>
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>					
<b>Deposits:</b>					
Non-interest bearing transaction accounts	\$ 945,559	\$ 172,845	\$ 142,922	\$	\$ 1,261,326

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Interest bearing transaction accounts and savings deposits	1,932,945	872,638	532,539		3,338,122
Time deposits	1,127,552	506,689	205,731	1,634 <sup>(9)</sup>	1,841,606
<b>Total deposits</b>	<b>4,006,056</b>	<b>1,552,172</b>	<b>881,192</b>	<b>1,634</b>	<b>6,441,054</b>
Federal funds purchased and securities sold under agreements to repurchase	98,226	20,216			118,442
Other borrowings	126,915	158,370	46,207	1,100 <sup>(10)</sup>	332,592
Subordinated debentures	20,620	27,100	20,620		68,340
Accrued interest and other liabilities	38,237	11,947	6,941	1,200 <sup>(11)</sup>	58,325
<b>Total liabilities</b>	<b>4,290,054</b>	<b>1,769,805</b>	<b>954,960</b>	<b>3,934</b>	<b>7,018,753</b>
Preferred stock		30,852			30,852
Common equity	479,183	148,540	104,014	206,624	938,361
<b>Total stockholders equity</b>	<b>479,183</b>	<b>179,392</b>	<b>104,014</b>	<b>206,624<sup>(12)</sup></b>	<b>969,213</b>
<b>Total liabilities and stockholders equity</b>	<b>\$ 4,769,237</b>	<b>\$ 1,949,197</b>	<b>\$ 1,058,974</b>	<b>\$ 210,558</b>	<b>\$ 7,987,966</b>
Common shares outstanding	17,960,765				29,831,960
Common equity per common share	\$ 26.68				\$ 31.45

The accompanying notes are an integral part of these pro forma combined condensed consolidated financial statements.

**Table of Contents****Unaudited Pro Forma Combined Condensed****Consolidated Statements of Income****For the Six Months Ended June 30, 2014**

<b>(Dollars in thousands, except per share data)</b>	Acquisition			Pro Forma Simmons and Delta Trust Combined
	Simmons Historical	Delta Trust Historical	Delta Trust Pro Forma Acquisition Adjustments	
<b>INTEREST INCOME</b>				
Loans, including fees	\$ 78,990	\$ 7,405	\$ 841 <sup>(L)</sup>	\$ 87,236
Investment securities and other	9,886	539	<sup>(M)</sup>	10,425
<b>TOTAL INTEREST INCOME</b>	<b>88,876</b>	<b>7,944</b>	<b>841</b>	<b>97,661</b>
<b>INTEREST EXPENSE</b>				
Deposits	4,505	898		5,403
Federal funds purchased and securities sold under agreements to repurchase	84			84
Other borrowings	2,315	90	<sup>(N)</sup>	2,405
<b>TOTAL INTEREST EXPENSE</b>	<b>6,904</b>	<b>988</b>		<b>7,892</b>
<b>NET INTEREST INCOME</b>	<b>81,972</b>	<b>6,956</b>	<b>841</b>	<b>89,769</b>
Provision for loan losses	2,510	389	<sup>(O)</sup>	2,899
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>79,462</b>	<b>6,567</b>	<b>841</b>	<b>86,870</b>
<b>NON-INTEREST INCOME</b>				
Trust income	3,091	1,190		4,281
Service charges on deposit accounts	12,860	251		13,111
Other service charges and fees	1,684	2,229		3,913
SBA and Mortgage banking income	2,074			2,074
Credit card fees	11,444			11,444
Investment banking income	336			336
Bank owned life insurance income	705	111		816
Gain (loss) on sale of securities, net	38	1		39
Net gain (loss) on assets covered by FDIC loss share agreements	(13,639)			(13,639)
Other income	5,984	1,119		7,103
<b>TOTAL NON-INTEREST INCOME</b>	<b>24,577</b>	<b>4,901</b>		<b>29,478</b>

<b>NON-INTEREST EXPENSE</b>				
Salaries and employee benefits	43,447	5,434		48,881
Occupancy expense, net	7,155	585		7,740
Furniture and equipment expense	4,229	330		4,559
Other real estate and foreclosure expense	1,248	18		1,266
Deposit insurance	1,753	162		1,915
Merger related costs	2,627		(P)	2,627
Other operating expenses	23,923	1,580	249(Q)	25,752
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>84,382</b>	<b>8,109</b>	<b>249</b>	<b>92,740</b>
<b>NET INCOME BEFORE INCOME TAXES</b>	<b>19,657</b>	<b>3,359</b>	<b>592</b>	<b>23,608</b>
Provision for income taxes	5,396	1,175	231(R)	6,802
<b>NET INCOME AVAILABLE TO COMMON SHAREHOLDERS</b>	<b>\$ 14,261</b>	<b>\$ 2,184</b>	<b>\$ 361</b>	<b>\$ 16,806</b>
<b>BASIC EARNINGS PER COMMON SHARE</b>	<b>\$ 0.88</b>			<b>\$ 0.94</b>
<b>DILUTED EARNINGS PER COMMON SHARE</b>	<b>\$ 0.87</b>			<b>\$ 0.94</b>
Weighted average common shares outstanding basic	16,294,208		(S)	17,923,632
Weighted average common shares outstanding diluted	16,336,901		(S)	17,966,325
The accompanying notes are an integral part of these pro forma combined condensed consolidated financial statements.				

Table of Contents**Unaudited Pro Forma Combined Condensed****Consolidated Statements of Income****For the Six Months Ended June 30, 2014**

<b>(Dollars in thousands, except per share data)</b>	Pro Forma Simmons and Delta Trust Combined	Acquisitions Community First Historical	Liberty Historical	Acquisitions Liberty Pro Forma Adjustments	Pro Forma Combined
<b>INTEREST INCOME</b>					
Loans, including fees	\$ 87,236	\$ 29,907	\$ 22,518	\$ 4,271 <sup>(13)</sup>	\$ 143,932
Investment securities and other	10,425	9,065	1,027		20,517
<b>TOTAL INTEREST INCOME</b>	<b>97,661</b>	<b>38,972</b>	<b>23,545</b>	<b>4,271</b>	<b>164,449</b>
<b>INTEREST EXPENSE</b>					
Deposits	5,403	4,479	1,492	(14)	11,374
Federal funds purchased and securities sold under agreements to repurchase	84	42			126
Other borrowings	2,405	1,190	364	(250) <sup>(15)</sup>	3,709
<b>TOTAL INTEREST EXPENSE</b>	<b>7,892</b>	<b>5,711</b>	<b>1,856</b>	<b>(250)</b>	<b>15,209</b>
<b>NET INTEREST INCOME</b>	<b>89,769</b>	<b>33,261</b>	<b>21,689</b>	<b>4,521</b>	<b>149,240</b>
Provision for loan losses	2,899	572	202	(16)	3,673
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>86,870</b>	<b>32,689</b>	<b>21,487</b>	<b>4,521</b>	<b>145,567</b>
<b>NON-INTEREST INCOME</b>					
Trust income	4,281	5			4,286
Service charges on deposit accounts	13,111	2,910	4,318		20,339
Other service charges and fees	3,913	3,981	645		8,539
SBA and Mortgage banking income	2,074	2,223	1,384		5,681
Credit card fees	11,444				11,444
Investment banking income	336	142			478
Bank owned life insurance income	816	269	249		1,334
Gain (loss) on sale of securities, net	39	788	(20)		807
Net gain (loss) on assets covered by FDIC loss share agreements	(13,639)				(13,639)
Other income	7,103	528	300		7,931

TOTAL NON-INTEREST INCOME	29,478	10,846	6,876		47,200
<b>NON-INTEREST EXPENSE</b>					
Salaries and employee benefits	48,881	16,902	8,315		74,098
Occupancy expense, net	7,740	3,109	1,054		11,903
Furniture and equipment expense	4,559	840	1,476		6,875
Other real estate and foreclosure expense (income)	1,266	(1,855)	1,356		767
Deposit insurance	1,915	692	278		2,885
Merger related costs	2,627			(17)	2,627
Other operating expenses	25,752	6,171	3,382	1,665 <sup>(18)</sup>	36,970
TOTAL NON-INTEREST EXPENSE	92,740	25,859	15,861	1,665	136,125
NET INCOME BEFORE INCOME TAXES	23,608	17,676	12,502	2,856	56,642
Provision for income taxes	6,802	5,914	3,968	1,114 <sup>(19)</sup>	17,798
NET INCOME	\$ 16,806	\$ 11,762	\$ 8,534	\$ 1,742	\$ 38,844
Dividends on preferred stock		(154)			(154)
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	\$ 16,806	\$ 11,608	\$ 8,534	\$ 1,742	\$ 38,690
BASIC EARNINGS PER COMMON SHARE	\$ 0.94				\$ 1.30
DILUTED EARNINGS PER COMMON SHARE	\$ 0.94				\$ 1.30
Weighted average common shares outstanding basic	17,923,632			(20)	29,794,827
Weighted average common shares outstanding diluted	17,966,325			(20)	29,837,520

The accompanying notes are an integral part of these pro forma combined condensed consolidated financial statements.



**Table of Contents****Unaudited Pro Forma Combined Condensed****Consolidated Statements of Income****For the Year Ended December 31, 2013**

<b>(in thousands, except share and per share data)</b>	Acquisitions			Pro Forma Acquisition Adjustments	Simmons Pro Forma Combined with Delta Trust and Metropolitan
	Simmons Historical	Metropolitan Historical	Delta Trust Historical		
<b>INTEREST INCOME</b>					
Loans, including fees	\$ 128,638	\$ 26,441	\$ 17,192	\$ 5,261 <sup>(L)</sup>	\$ 177,532
Investment securities and other	14,475	5,366	1,216	345 <sup>(M)</sup>	21,402
<b>TOTAL INTEREST INCOME</b>	<b>143,113</b>	<b>31,807</b>	<b>18,408</b>	<b>5,606</b>	<b>198,934</b>
<b>INTEREST EXPENSE</b>					
Deposits	8,399	2,871	2,059		13,329
Federal funds purchased and securities sold under agreements to repurchase	219	29			248
Other borrowings	3,645	129	185	1,170 <sup>(N)</sup>	5,129
<b>TOTAL INTEREST EXPENSE</b>	<b>12,263</b>	<b>3,029</b>	<b>2,244</b>	<b>1,170</b>	<b>18,706</b>
<b>NET INTEREST INCOME</b>	<b>130,850</b>	<b>28,778</b>	<b>16,164</b>	<b>4,436</b>	<b>180,228</b>
Provision for loan losses	4,118	500	951	<sup>(O)</sup>	5,569
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>126,732</b>	<b>28,278</b>	<b>15,213</b>	<b>4,436</b>	<b>174,659</b>
<b>NON-INTEREST INCOME</b>					
Trust income	5,842	343	1,849		8,034
Service charges on deposit accounts	18,815	8,549	568		27,932
Other service charges and fees	3,458	5,825	928		10,211
SBA and Mortgage banking income	4,592				4,592
Credit card fees	17,372				17,372
Investment banking income	1,811		3,421		5,232
Bank owned life insurance income	1,319		211		1,530
Gain (loss) on sale of securities, net	(151)	101	13		(37)

Net gain (loss) on assets covered by FDIC loss share agreements	(16,188)				(16,188)
Other income	3,746	2,772	255		6,773
<b>TOTAL NON-INTEREST INCOME</b>	<b>40,616</b>	<b>17,590</b>	<b>7,245</b>		<b>65,451</b>
<b>NON-INTEREST EXPENSE</b>					
Salaries and employee benefits	74,078	19,661	10,087		103,826
Occupancy expense, net	10,034	4,955	969		15,958
Furniture and equipment expense	7,623	2,523	749		10,895
Other real estate and foreclosure expense (income)	1,337	744	572		2,653
Deposit insurance	2,482	2,015	318		4,815
Merger related costs	6,376			(P)	6,376
Other operating expenses	32,882	11,759	3,366	1,400(Q)	49,407
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>134,812</b>	<b>41,657</b>	<b>16,061</b>	<b>1,400</b>	<b>193,930</b>
<b>NET INCOME BEFORE INCOME TAXES</b>	<b>32,536</b>	<b>4,211</b>	<b>6,397</b>	<b>3,036</b>	<b>46,180</b>
Provision for income taxes	9,305		2,133	1,184(R)	12,622
<b>NET INCOME AVAILABLE TO COMMON SHAREHOLDERS</b>	<b>\$ 23,231</b>	<b>\$ 4,211</b>	<b>\$ 4,264</b>	<b>\$ 1,852</b>	<b>\$ 33,558</b>
<b>BASIC EARNINGS PER COMMON SHARE</b>	<b>\$ 1.42</b>				<b>\$ 1.87</b>
<b>DILUTED EARNINGS PER COMMON SHARE</b>	<b>\$ 1.42</b>				<b>\$ 1.87</b>
Weighted average common shares outstanding basic	16,339,335			(S)	17,968,759
Weighted average common shares outstanding diluted	16,352,167			(S)	17,981,591

The accompanying notes are an integral part of these pro forma combined condensed consolidated financial statements.

**Table of Contents****Unaudited Pro Forma Combined Condensed****Consolidated Statements of Income****For the Year Ended December 31, 2013**

<b>(Dollars in thousands, except per share data)</b>	Acquisitions			Pro Forma Acquisition Adjustments	Pro Forma Combined
	Simmons Combined with Metropolitan and Delta Trust	Community First Historical	Liberty Historical		
<b>INTEREST INCOME</b>					
Loans, including fees	\$ 177,532	\$ 57,999	\$ 47,392	\$ 8,543 <sup>(13)</sup>	\$ 291,466
Investment securities and other	21,402	15,805	1,567		38,774
<b>TOTAL INTEREST INCOME</b>	<b>198,934</b>	<b>73,804</b>	<b>48,959</b>	<b>8,543</b>	<b>330,240</b>
<b>INTEREST EXPENSE</b>					
Deposits	13,329	10,877	3,966	(1,634) <sup>(14)</sup>	26,538
Federal funds purchased and securities sold under agreements to repurchase	248	74	1		323
Other borrowings	5,129	2,185	739	(600) <sup>(15)</sup>	7,453
<b>TOTAL INTEREST EXPENSE</b>	<b>18,706</b>	<b>13,136</b>	<b>4,706</b>	<b>(2,234)</b>	<b>34,314</b>
<b>NET INTEREST INCOME</b>	<b>180,228</b>	<b>60,668</b>	<b>44,253</b>	<b>10,777</b>	<b>295,926</b>
Provision for loan losses	5,569	977	2,196	<sup>(16)</sup>	8,742
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>174,659</b>	<b>59,691</b>	<b>42,057</b>	<b>10,777</b>	<b>287,184</b>
<b>NON-INTEREST INCOME</b>					
Trust income	8,034	40			8,074
Service charges on deposit accounts	27,932	6,339	4,656		38,927
Other service charges and fees	10,211	8,178	4,909		23,298
SBA and Mortgage banking income	4,592	5,946	4,210		14,748
Credit card fees	17,372				17,372
Investment banking income	5,232	156			5,388
Bank owned life insurance income	1,530	600	414		2,544
Gain (loss) on sale of securities, net	(37)	572	(1)		534
	(16,188)				(16,188)

Net gain (loss) on assets covered by FDIC loss share agreements						
Other income (loss)	6,773	1,186	(80)			7,879
<b>TOTAL NON-INTEREST INCOME</b>	<b>65,451</b>	<b>23,017</b>	<b>14,108</b>			<b>102,576</b>
<b>NON-INTEREST EXPENSE</b>						
Salaries and employee benefits	103,826	32,791	18,252			154,869
Occupancy expense, net	15,958	5,910	2,091			23,959
Furniture and equipment expense	10,895	1,725	2,848			15,468
Other real estate and foreclosure expense	2,653	669	729			4,051
Deposit insurance	4,815	1,025	509			6,349
Merger related costs	6,376				(17)	6,376
Other operating expenses	49,407	13,537	8,516		3,330 <sup>(18)</sup>	74,790
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>193,930</b>	<b>55,657</b>	<b>32,945</b>		<b>3,330</b>	<b>285,862</b>
<b>NET INCOME BEFORE INCOME TAXES</b>						
	46,180	27,051	23,220		7,447	103,898
Provision for income taxes	12,622	8,639	8,019		2,904 <sup>(19)</sup>	32,184
<b>NET INCOME</b>	<b>\$ 33,558</b>	<b>\$ 18,412</b>	<b>\$ 15,201</b>	<b>\$ 4,543</b>		<b>\$ 71,714</b>
Dividends on preferred stock		(1,542)				(1,542)
<b>NET INCOME AVAILABLE TO COMMON SHAREHOLDERS</b>	<b>\$ 33,558</b>	<b>\$ 16,870</b>	<b>\$ 15,201</b>	<b>\$ 4,543</b>		<b>\$ 70,172</b>
<b>BASIC EARNINGS PER COMMON SHARE</b>						
	\$ 1.87					\$ 2.35
<b>DILUTED EARNINGS PER COMMON SHARE</b>						
	\$ 1.87					\$ 2.35
Weighted average common shares outstanding basic	17,968,759				(20)	29,839,954
Weighted average common shares outstanding diluted	17,981,591				(20)	29,852,786
The accompanying notes are an integral part of these pro forma combined condensed consolidated financial statements.						

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**Notes to Pro Forma Combined Condensed Consolidated Financial Statements**

**Note 1. Basis of Presentation**

The unaudited pro forma combined condensed consolidated financial statements and explanatory notes show the impact on the historical financial condition and results of operations of Simmons resulting from the Metropolitan, Delta Trust, Community First and Liberty acquisitions under the acquisition method of accounting. Under the acquisition method of accounting, the assets and liabilities of Metropolitan, Delta Trust, Community First and Liberty are recorded by Simmons at their respective fair values as of the date the transaction is completed. The unaudited pro forma combined condensed consolidated balance sheets combine the historical financial information of Simmons (which includes Metropolitan) and Delta Trust, Community First and Liberty as of June 30, 2014, and assume that the Delta Trust, Community First and Liberty acquisitions were completed on that date. The unaudited pro forma combined condensed consolidated statements of income for the six-month period ended June 30, 2014, and for the year ended December 31, 2013, give effect to the Metropolitan, Delta Trust, Community First and Liberty acquisitions as if the transactions had been completed on January 1, 2013.

Since the transactions are recorded using the acquisition method of accounting, all loans are recorded at fair value, including adjustments for credit quality, and no allowance for credit losses is carried over to Simmons' balance sheet. In addition, certain anticipated nonrecurring costs associated with the Metropolitan, Delta Trust, Community First and Liberty acquisitions such as potential severance, professional fees, legal fees and conversion-related expenditures are not reflected in the pro forma statements of income and will be expensed as incurred.

While the recording of the acquired loans at their fair value will impact the prospective determination of the provision for credit losses and the allowance for credit losses, for purposes of the unaudited pro forma combined condensed consolidated statement of income for the six-month period ended June 30, 2014 and for the year ended December 31, 2013, Simmons assumed no adjustments to the historical amount of Metropolitan's, Delta Trust's, Community First's, and Liberty's provision for credit losses. If such adjustments were estimated, there could be a significant change to the historical amounts of provision for credit losses presented.

The pro forma information is presented in two stages. The first stage presents the results of Metropolitan (for the statement of income for the full-year ended December 31, 2013) and Delta Trust as combined with the historical results of Simmons and reflecting pro forma adjustments. The Delta Trust transaction closed effective August 31, 2014 and is not a significant acquisition under SEC rules and regulations and, while not required to be presented, is provided for information purposes only. The Metropolitan acquisition was completed on November 25, 2013 and is presented for the approximately 11-month period ended November 25, 2013 in order to reflect the pro forma effect of the acquisition on our full-year ended December 31, 2013 results. The second stage presents the combined results of Simmons with Metropolitan and Delta Trust, with the historical results and pro forma adjustments for Community First and Liberty. These transactions combined are significant and are subject to shareholder approval.

**Note 2. Merger and Acquisition Integration Costs**

The retail branch operations, commercial lending activities, mortgage banking operations, trust and investment services, along with all other operations of Delta Trust, Community First and Liberty will be integrated into Simmons First National Bank. The operation integration and the system conversion for Delta Trust are scheduled for October 2014. The operation integration and the system conversion for Liberty are scheduled for the second quarter of 2015. The operation integration and the system conversion for Community First are scheduled for the third quarter of 2015.

The specific details of the plan to integrate the operations of Delta Trust, Community First and Liberty will continue to be refined over the next several months, and will include assessing personnel, benefit plans, premises,

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equipment and service contracts to determine where we may take advantage of redundancies. Certain decisions arising from these assessments may involve involuntary termination of employees, vacating leased premises, changing information systems, canceling contracts with certain service providers, and selling or otherwise disposing of certain premises, furniture and equipment. Simmons also expects to incur merger-related costs including professional fees, legal fees, system conversion costs and costs related to communications with customers and others. To the extent there are costs associated with these actions, the costs will be recorded based on the nature of the cost and the timing of these integration actions.

**Note 3. Estimated Annual Cost Savings**

Simmons expects to realize cost savings and to generate revenue enhancements from the Metropolitan, Delta Trust, Community First and Liberty acquisitions. Revenue enhancements are expected from an expansion of trust services, SBA lending activities, consumer finance products and credit card services to the larger footprint of Simmons. Cost savings for Delta Trust and Metropolitan are projected at 35% of non-interest expense; cost savings for Liberty are projected at 30% of non-interest expense; and cost savings for Community First are projected at 20% of non-interest expense. These cost savings and revenue enhancements are not reflected in the pro forma combined condensed consolidated financial statements and there can be no assurance they will be achieved in the amount or manner currently contemplated.

**Note 4. Pro Forma Adjustments**

The following pro forma adjustments have been reflected in the unaudited pro forma combined condensed consolidated financial statements presented for Delta Trust and Metropolitan. All adjustments are based on current assumptions and valuations, which are subject to change. Unless otherwise noted, all adjustments are based on assumptions and valuations as of the merger agreement dates for the respective pending acquisitions and are subject to change.

- (A) The pro forma adjustment reflecting the consideration to be paid for Delta Trust is based upon the actual consideration paid on the closing date of August 31, 2014. The total number of shares of Delta Trust common stock outstanding on the closing date was 111,994. The maximum aggregate amount of cash to be paid to Delta Trust shareholders, per the Agreement and Plan of Merger, dated as of March 24, 2014 between Simmons and Delta Trust, or the Delta Trust merger agreement, was \$10 million; the actual cash consideration paid was approximately \$2.4 million in exchange for 4,376 shares of Delta Trust common stock at a per share amount of \$545.14. The remaining 107,618 shares each were converted into the right to receive 15.1428 shares of Simmons common stock, resulting in an aggregate of 1,629,424 shares of Simmons common stock to be issued in connection with the Delta Trust merger. The closing price of Simmons common stock on August 29, 2014, the last trading day prior to the closing date of the Delta Trust merger, was \$39.92, which equates to total stock consideration valued at \$65.0 million. The fair value of total consideration paid to existing shareholders of Delta Trust was \$67.4 million.

An additional \$2.5 million of cash consideration will be paid to cash out 7,578 Delta Trust stock options and 5,343 stock warrants outstanding.

- (B) Represents seller-incurred merger expenses, which are expected to be paid immediately prior to the merger closing date, and the related tax benefit. Seller-incurred merger expenses are \$2.1 million for Delta Trust and

the related tax benefit is \$831,000.

Estimated Simmons -incurred merger expenses primarily including severance, professional, legal and conversion related expenditures, are not reflected in the pro forma combined condensed consolidated balance sheet as these integration costs will be expensed by Simmons as required by U.S. generally accepted accounting principles, or GAAP.

- (C) Adjustments made to reflect the estimated fair value of the acquired loan portfolio as of June 30, 2014 based on Simmons' evaluation of the loan portfolio during due diligence, which included reviewing



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approximately 45% of the acquired portfolio. The total adjustment of (\$13.8) million is comprised of approximately \$7.1 million of non-accretable credit adjustments and approximately \$6.7 million of accretable yield adjustments.

Simmons will finalize its determination of the fair value of acquired loans which could significantly change both the amount and the composition of these estimated purchase accounting adjustments.

- (D) Purchase accounting reversal of Delta Trust's allowance for loan losses, which cannot be carried over in accordance with GAAP.
- (E) Adjustment made to reflect the estimated fair value of acquired premises and equipment, including all branches, based on Simmons' evaluation as of the acquisition date. The adjustment is primarily to write-off certain computer hardware that is considered obsolete and has been replaced at the acquisition date, thus no ongoing impact to occupancy expense or furniture and equipment expense is expected.
- (F) Adjustment made to reflect the estimated fair value of acquired OREO properties, based on the Company's evaluation as of the acquisition date.
- (G) Adjustment represents the excess of the consideration paid over the fair value of net assets acquired, net of the reversal of Delta Trust's previously recorded goodwill of \$822,000. The reconciliation of the purchase price to goodwill recorded can be summarized as follows (in thousands):

	<b>Delta Trust</b>
Fair value of common shares issued	\$ 65,048
Cash consideration	2,394
<b>Total pro forma purchase price</b>	<b>\$ 67,442</b>
Fair value of assets acquired:	
Cash and cash equivalents	\$ 13,806
Investment securities	64,536
Net loans	311,083
Bank premises and equipment	4,008
OREO, net of valuation allowance	2,487
Core deposit intangible	4,978
Other assets	13,941
Total assets	414,839
Fair value of liabilities assumed:	
Deposits	364,331
Other borrowings	11,313
Other liabilities	2,704

Total liabilities	378,348
<b>Net assets acquired</b>	<b>\$ 36,491</b>
<b>Preliminary pro forma goodwill</b>	<b>\$ 30,951</b>

(H) Preliminary purchase accounting adjustment to establish a core deposit intangible in recognition of the fair value of core deposits acquired, which is approximately 1.9% of core deposit liabilities. This intangible asset represents the value of the relationships that Delta Trust had with their deposit customers as of the merger date. The preliminary fair value was estimated based on a discounted cash flow methodology that gave consideration to expected customer attrition rates, cost of the deposit base and the net maintenance cost attributable to customer deposits.

The adjustment includes a credit of \$143,000 to reverse the intangibles recorded by Delta Trust prior to its acquisition by Simmons.

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- (I) Includes a net deferred tax asset adjustment based on 39% of fair value adjustments related to the acquired assets and assumed liabilities and on a calculation of future tax benefits.

This adjustment also includes a write-off of \$250,000 of miscellaneous assets with no fair value.

- (J) Adjustment made to reflect the estimated fair value of FHLB advances.

- (K) To reflect the stock consideration paid, net of the purchase accounting reversal of previously existing equity accounts. The consideration for Delta Trust was a mix of stock and cash. The stock consideration paid was \$65.0 million. See Note (A) for additional information.

- (L) Simmons has evaluated the acquired loan portfolio to estimate the necessary credit and interest rate fair value adjustments. Subsequently, the accretable portion of the fair value adjustment will be accreted into earnings using the level yield method over the remaining maturity of the underlying loans. For purposes of the pro forma impact on the six months ended June 30, 2014 and the year ended December 31, 2013, the net discount accretion was calculated by summing monthly estimates of accretion/amortization on each loan pool, which was calculated based on the remaining maturity of each loan pool. The overall weighted average maturity of the loan portfolio is approximately 3.01 years. The 2013 pro forma accretion income projected for Delta Trust and Metropolitan is \$1.7 million and \$3.6 million, respectively. The estimated non-accretable yield portion of the net discount of approximately \$7.1 million for Delta Trust will not be accreted into earnings.

- (M) Simmons has made an adjustment to reflect the estimated fair value of acquired held-to-maturity investment securities acquired from Metropolitan as the securities were carried by Metropolitan at amortized cost and must be recorded at fair value on the date of acquisition of Metropolitan. Fair value was determined using bid pricing. No adjustment was necessary for Delta Trust as the fair value of their held-to-maturity investment securities approximated fair value as of the acquisition date. Subsequently, the fair value adjustment will be accreted into earnings using the level yield method over the remaining maturity of the underlying securities, which is approximately six years. This adjustment represents Simmons' best estimate of the expected accretion on 2013.

- (N) Simmons has made an adjustment to reflect the estimated fair value of Delta Trust's FHLB advances based on current interest rates for comparable borrowings. The fair value adjustment will be accreted into earnings, using the level yield method, as a reduction of the cost of such borrowings over an estimated life of one year for Delta Trust, thus the entire fair value adjustment was fully accreted in the 2013 pro forma income statement. The 2013 pro forma income statement adjustment for Metropolitan is \$1.4 million, which represents the additional interest expense expected to be incurred on the \$46 million of borrowings used to finance the Metropolitan acquisition as a result of the assumption that Metropolitan was acquired on January 1, 2013 instead of November 25, 2013.

- (O) Provision for loan losses does not reflect any potential impact of the fair value adjustments related to loans which includes an estimate of credit losses.

- (P) Historical merger related costs for Simmons are primarily related to the acquisition of Metropolitan, which was completed on November 25, 2013. Estimated merger related expenses of \$2.1 million for Delta Trust, primarily severance, professional, legal and conversion related expenditures, are not reflected in the pro forma combined condensed consolidated income statements as they are nonrecurring expenses. These integration costs will be expensed by Simmons as required by GAAP.
- (Q) The core deposit intangible will be amortized over ten years on a straight-line basis. The annual pro forma amortization expense projected for Delta Trust and Metropolitan is \$498,000 and \$902,000, respectively. The pro forma amortization income impact for the six months ended June 30, 2014 for Delta Trust is \$249,000. The pro forma amortization income impact for Metropolitan of \$451,000 for the six-months is included in Simmons' historical amounts.
- (R) Reflects the tax impact of the pro forma acquisition adjustments at Simmons' marginal income tax rate of 39%.

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- (S) Pro forma weighted average shares outstanding assumes the actual stock issued at the close of the Delta Trust merger on August 31, 2014 of 1,629,424 shares of common stock was outstanding for the full period presented.

The following pro forma adjustments have been reflected in the unaudited pro forma combined condensed consolidated financial statements presented for Community First and Liberty. Unless otherwise noted, all adjustments are based on assumptions and valuations as of the merger agreement dates for the respective pending acquisitions and are subject to change.

- (1) Represents seller-incurred merger expenses which are expected to be paid immediately prior to the merger closing date and \$1.8 million in cash proceeds expected to be received for the exercise of stock options prior to the merger.

Cash to be paid for Community First seller-incurred merger expenses	\$ 6,598
Cash to be paid for Liberty seller-incurred merger expenses	5,572
Cash expected to be received for Liberty stock options exercised prior to merger	(1,862)
Net cash adjustment	\$ 10,308

Simmons -incurred estimated merger related expenses primarily for severance, professional, legal and conversion related expenditures, are not reflected in the pro forma combined condensed consolidated balance sheet as these integration costs will be expensed by Simmons as required by GAAP.

- (2) Adjustments made to reflect the estimated fair value of the acquired loan portfolios, allocated to each target as described below, based on Simmons' evaluation of the loan portfolio during due diligence, which included reviewing approximately 45% of the portfolios.

*Community First:* The total adjustment of (\$25.9) million is comprised of approximately \$4.6 million of non-accretable credit adjustments and approximately \$21.3 million of accretable yield adjustments.

*Liberty :* The total adjustment of (\$18.1) million is comprised of approximately \$5.2 million of non-accretable credit adjustments and approximately \$12.9 million of accretable yield adjustments.

Once each acquisition has closed, Simmons will finalize its determination of the fair value of acquired loans which could significantly change both the amount and the composition of these estimated purchase accounting adjustments.

- (3) Purchase accounting reversal of each target's allowance for loan losses, which cannot be carried over in accordance with GAAP.

- (4)

Adjustment made to reflect the estimated fair value of acquired premises and equipment, including all branches, based on Simmons' evaluation. Adjustment is (\$750,000) for Community First and (\$2.5) million for Liberty. The adjustments are primarily to write-off certain computer hardware that is considered obsolete and will be replaced at the date of acquisition, thus no ongoing impact to occupancy expense or furniture and equipment expense is expected.

- (5) Adjustment made to reflect the estimated fair value of acquired OREO properties, based on Simmons' evaluation. Adjustment is for OREO properties held by Community First; no adjustment is expected for OREO properties held by Liberty.

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- (6) Adjustment represents the excess of the consideration paid over the fair value of net assets acquired, net of the reversal of Community First's and Liberty's previously recorded goodwill of \$2.3 million and \$3.1 million, respectively. See Note (12) for additional information on how the pro forma purchase price was calculated. The reconciliation of the pro forma purchase price to goodwill recorded can be summarized as follows (in thousands):

	Community First	Liberty
Fair value of common shares issued, inclusive of shares issued in exchange for outstanding stock options and restricted stock	\$ 256,217	\$ 202,961
Fair value of preferred shares	30,852	
<b>Total pro forma purchase price</b>	<b>\$ 287,069</b>	<b>\$ 202,961</b>
Fair value of assets acquired:		
Cash and cash equivalents	\$ 30,954	\$ 101,859
Investment securities	680,610	91,618
Loans held for sale	9,110	4,935
Net loans	1,117,741	779,406
Bank premises and equipment	43,558	32,783
OREO, net of valuation allowance	3,795	1,765
Core deposit intangible	20,613	12,792
Other assets	42,734	31,015
Total assets	1,949,115	1,056,173
Fair value of liabilities assumed:		
Deposits	1,553,806	881,192
Fed funds purchased and securities sold under agreements to repurchase	20,216	
Other borrowings	159,370	46,307
Subordinated debentures	27,100	20,620
Other liabilities	12,547	7,541
Total liabilities	1,773,039	955,660
<b>Net assets acquired</b>	<b>\$ 176,076</b>	<b>\$ 100,513</b>
<b>Preliminary pro forma goodwill</b>	<b>\$ 110,993</b>	<b>\$ 102,448</b>

- (7) Preliminary purchase accounting adjustment to establish a core deposit intangible in recognition of the fair value of core deposits acquired, which is approximately 1.9% of core deposit liabilities for Community First and Liberty. This intangible asset represents the value of the relationships that Community First and Liberty had with their deposit customers as of the date of acquisition. The preliminary fair value was estimated based on a discounted cash flow methodology that gave consideration to expected customer attrition rates, cost of the deposit base and the net maintenance cost attributable to customer deposits. A core deposit intangible asset of \$20.6 million was estimated for Community First and \$12.8 million for Liberty.

The adjustment includes a credit of \$1.7 million to reverse the intangibles recorded by Community First and Liberty prior to their pending acquisition by Simmons.

- (8) Includes a net deferred tax asset adjustment of \$1.5 million based on 39% of fair value adjustments related to the acquired assets and assumed liabilities and on a calculation of future tax benefits; the adjustment is primarily attributable to the Liberty acquisition. Community First is estimated to have a net deferred tax asset adjustment of \$400,000. Liberty is estimated to have a net deferred tax asset adjustment of \$1.5 million.

This adjustment also includes write-off of \$400,000 of miscellaneous assets with no fair value at Community First.



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- (9) Adjustment made to reflect the estimated fair value premium of Community First's time deposits. The fair value was estimated using a discounted cash flow methodology based on current market rates for similar remaining maturities. No adjustment was necessary for Liberty as the rates and terms of their time deposits approximated current market terms.
- (10) Adjustment made to reflect the estimated fair value of FHLB advances, of which \$1 million is attributable to Community First and \$100,000 is attributable to Liberty.
- (11) Adjustment made to reflect the Company's estimate of the fair value of a reserve for unfunded commitments not previously recorded by Community First (\$600,000) and Liberty (\$600,000).
- (12) To reflect the Simmons common stock consideration expected to be paid for each acquisition, net of the purchase accounting reversal of their previously existing equity accounts. Community First and Liberty are both 100% stock transactions. The Simmons common stock consideration expected to be paid for Community First is \$256.2 million (based on Simmons' closing common stock price of \$38.68 per share on September 25, 2014, and the fixed exchange ratio of 17.8975 shares of Simmons common stock for each share of Community First common stock, pursuant to the Community First merger agreement), subject to potential adjustments; Community First, Series C preferred stock will be converted into Simmons Series A preferred stock for total consideration paid equal to \$287.1 million.

The Simmons common stock consideration, inclusive of common stock expected to be issued in exchange for outstanding restricted stock and stock options, expected to be paid for Liberty is \$203.0 million (based on the Simmons' closing common stock price of \$38.68 per share on September 25, 2014 and the fixed exchange ratio of 1.0 shares of Simmons common stock for each share of Liberty common stock pursuant to the Liberty merger agreement), subject to potential adjustments.

Shares of Simmons common stock expected to be issued using the aforementioned fixed exchange ratios is presented below:

	Community		
	First	Liberty	Total
Shares outstanding at June 30, 2014	363,918	5,162,712	
Stock options/restricted stock outstanding at June 30, 2014	6,190	84,475	
Total shares expected to be converted to SFNC stock	370,108	5,247,187	
Fixed conversion ratio per respective merger agreements	17.8975	1.0000	
SFNC shares expected to be issued	6,624,008	5,247,187	11,871,195

Any change in the price of SFNC common stock would change the purchase price allocated to goodwill. The following tables present the sensitivity of the purchase price and resulting goodwill to changes in the price of SFNC

common stock of \$38.68, the value of SFNC's common stock as of September 25, 2014:

<b>(in thousands)</b>	<b>Community First Pro</b>	
	<b>Forma Purchase Price</b>	<b>Goodwill</b>
Up 30%	\$ 373,190	\$ 197,114
Up 20%	344,483	168,407
Up 10%	315,776	139,700
As presented in pro forma financial information	<b>287,069</b>	<b>110,993</b>
Down 10%	258,362	82,286
Down 20%	229,655	53,579
Down 30%	200,948	24,872

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(in thousands)	Liberty Pro	
	Forma Purchase Price	Goodwill
Up 30%	\$ 263,849	\$ 163,336
Up 20%	243,553	143,040
Up 10%	223,257	122,744
As presented in pro forma financial information	<b>202,961</b>	<b>102,448</b>
Down 10%	182,665	82,152
Down 20%	162,369	61,856
Down 30%	142,073	41,560

- (13) Simmons has evaluated the each acquired loan portfolio to estimate the necessary credit and interest rate fair value adjustments. Subsequently, the accretable portion of the fair value adjustment will be accreted into earnings using the level yield method over the remaining maturity of the underlying loans. For purposes of the pro forma impact on the six months ended June 30, 2014 and the year ended December 31, 2013, the net discount accretion was calculated by summing monthly estimates of accretion/amortization on each loan portfolio, which was calculated based on the remaining maturity of each loan pool. The overall weighted average maturity of the loan portfolio is approximately 5.62 years for Community First and 5.83 years for Liberty. The estimated non-accretible yield portion of the net discount of approximately \$9.8 million for Community First and Liberty combined will not be accreted into earnings.

	Community First	Liberty	Total
<b><i>Loan discount accretion pro forma adjustment for:</i></b>			